

**CITY OF KENNER, LOUISIANA**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**For the Year Ended June 30, 2000**

RECEIVED  
LEGISLATIVE AUDITOR  
2001 JAN -3 AM 9:13

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 01-10-01

Submitted by:

Department of Finance

DUKE P. McCONNELL, CPA  
Chief Financial Officer

## TABLE OF CONTENTS

Page

### INTRODUCTORY SECTION

Letter of Transmittal .....	1
GFOA Certificate of Achievement for Excellence in Financial Reporting .....	10
Selected Officials of the City of Kenner .....	11
Organizational Chart of the City of Kenner .....	12
Map of the City of Kenner .....	13

### FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT .....	14
------------------------------------	----

#### GENERAL PURPOSE FINANCIAL STATEMENTS

Combined Balance Sheet - All Fund Types and Account Groups .....	16
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - All Governmental Fund Types .....	20
Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General, Special Revenue and Debt Service Fund Types .....	22
Combined Statement of Revenues, Expenses, and Changes in Retained Earnings (Deficit)/Fund Balance - Proprietary Fund Types .....	26
Statement of Changes in Plan Net Assets – Pension Trust Fund .....	27
Combined Statement of Cash Flows - Proprietary Fund Types .....	28
Notes to Financial Statements .....	30

### REQUIRED SUPPLEMENTARY INFORMATION SECTION

#### Firemen's Pension and Relief Fund:

Schedule of Funding Progress .....	63
Schedule of Employer Contributions and Trend Information .....	64
Schedule of Councilpersons' Compensation .....	65

#### COMBINING AND INDIVIDUAL FUND AND ACCOUNT GROUP STATEMENTS

##### GENERAL FUND

Balance Sheet .....	67
---------------------	----

## TABLE OF CONTENTS (CONTINUED)

Page

### FINANCIAL SECTION (CONTINUED)

#### GENERAL FUND (CONTINUED)

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	68
Schedule of Revenues - Budget and Actual .....	69
Schedule of Expenditures - Budget and Actual .....	71
Combining Schedule of Departmental Expenditures - Budget and Actual	
General Government Function .....	73
Public Safety Function .....	78
Public Works Function .....	82
Health and Welfare Function .....	85
Culture and Recreation Function .....	87
Transit Function .....	90
Miscellaneous Function .....	91

#### SPECIAL REVENUE FUNDS

Combining Balance Sheet .....	94
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	96
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Special Revenue Funds with Annual Budgets - Budget and Actual .....	98
One Percent Sales Tax of 1984 Fund/Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	99
Community Development Block Grant Fund/Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	100
Schedule of Expenditures - Budget and Actual .....	101
Garbage Collection and Disposal Fund/Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	102
Roads and Bridges Fund/Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	103
Street Lighting Fund/Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	104

## TABLE OF CONTENTS (CONTINUED)

Page

### FINANCIAL SECTION (CONTINUED)

#### SPECIAL REVENUE FUNDS (CONTINUED)

Fire Department Fund/Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	105
---	-----

#### DEBT SERVICE FUNDS

Combining Balance Sheet .....	107
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	108
General Debt Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	109
Ad Valorem Tax Bonds Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	110
Firemen's Pension Merger Fund Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual .....	111

#### CAPITAL PROJECTS FUNDS

Combining Balance Sheet .....	113
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances .....	114

#### ENTERPRISE FUNDS

Combining Balance Sheet .....	116
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings (Deficit) .....	118
Wastewater Operations Schedule of Revenues, Expenses and Changes in Retained Earnings (Deficit) - Budget and Actual .....	119
Civic Center Operations Schedule of Revenues, Expenses and Changes in Retained Earnings (Deficit) - Budget and Actual .....	120
Combining Statement of Cash Flows .....	121

#### INTERNAL SERVICE FUNDS

Combining Balance Sheet .....	124
Combining Statement of Revenues, Expenses, and Changes in Retained Earnings .....	125
Combining Statement of Cash Flows .....	126

## TABLE OF CONTENTS (CONTINUED)

Page

### FINANCIAL SECTION (CONTINUED)

#### FIDUCIARY FUNDS

Combining Balance Sheet.....	128
Pension Trust Fund	
Statement of Changes in Plan Net Assets .....	130
Agency Funds	
Combining Statement of Changes in Assets and Liabilities - All Agency Funds .....	131

#### GENERAL FIXED ASSETS ACCOUNT GROUP

Schedule of General Fixed Assets - By Sources.....	134
Schedule of General Fixed Assets - By Function and Activity.....	135
Schedule of Changes in General Fixed Assets - By Function and Activity .....	136

#### GENERAL LONG-TERM DEBT ACCOUNT GROUP

Schedule of General Long-Term Debt .....	138
--	-----

### STATISTICAL SECTION

General Governmental Expenditures by Function .....	139
General Governmental Expenditures by Object Class.....	141
General Governmental Revenues by Source .....	143
Property Tax Levies and Collections.....	145
Assessed and Estimated Actual Value of Taxable Property .....	146
Property Tax Rates - Direct and Overlapping Governments .....	148
Principal Taxpayers of Ad Valorem Taxes .....	149
Special Assessment Levies and Collections .....	150
Computation of Legal Debt Margin .....	151
Ratio of Net Long-Term Debt to Assessed Value and Net Long-Term Debt Per Capita .....	152

## TABLE OF CONTENTS (CONTINUED)

Page

### STATISTICAL SECTION (CONTINUED)

Ratio of Annual Debt Service Expenditures for General Bonded Debt to General Governmental Expenditures.....	153
Computation of Direct and Overlapping Debt.....	154
Demographic Statistics.....	155
Property Value and Private Construction Permits and Value .....	156
Miscellaneous Statistics .....	157

### SINGLE AUDIT SECTION

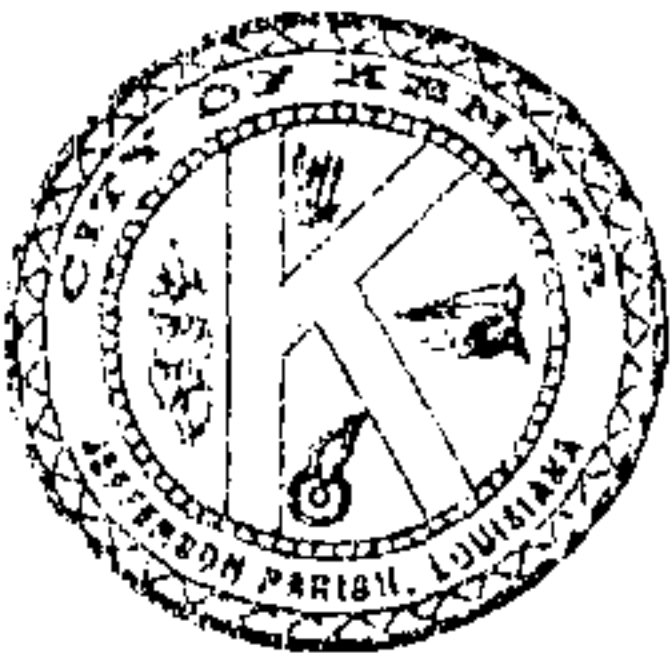
Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	158
Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133 .....	160
Schedule of Expenditures of Federal Awards.....	162
Notes to Schedule of Expenditures of Federal Awards .....	164
Schedule of Findings and Questioned Costs.....	165
Summary Schedule of Prior Audit Findings .....	168
Corrective Action Plan .....	170

(THIS PAGE LEFT BLANK INTENTIONALLY)

## INTRODUCTORY SECTION



(THIS PAGE LEFT BLANK INTENTIONALLY)



# CITY OF KENNER

1801 Williams Boulevard  
Kenner, Louisiana 70062  
(504) 468-7200

**LOUIS J. CONGEMI**  
**MAYOR**

December 18, 2000

Honorable Mayor and City Councilpersons  
City of Kenner, Louisiana  
1801 Williams Boulevard  
Kenner, Louisiana 70062

The Comprehensive Annual Financial Report of the City of Kenner, Louisiana, for the fiscal year-ended June 30, 2000 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material aspects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the most recent GFOA Certificate, the City's organizational chart, a list of principal officials and a map of the City. The financial section includes the general purpose financial statements and the combining and individual fund and account group financial statements and schedules, as well as the auditor's report on the financial statements and schedules. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis.

The City is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations". Information related to this single audit, including the Schedule of Expenditures of Federal Awards, findings and questioned costs, and auditor's reports on compliance and on internal controls, are included in the single audit section of this report.

## CITY OF KENNER

The City is the largest incorporated area in Jefferson Parish, a suburban parish (county) in the New Orleans Standard Metropolitan Statistical Area. It is bounded on the north by Lake Pontchartrain, on the south by the Mississippi River, on the east by unincorporated Jefferson Parish, and on the west by St. Charles Parish. The map of the City which is enclosed in this Introductory Section reflects a total area of approximately 15 square miles. Since 1946, the City has contained the site for the New Orleans International Airport.

## REPORTING ENTITY AND ITS SERVICES

The City is a unit of general local government under the Census Bureau's criteria. It is a home rule charter city incorporated under the constitution and laws of the State of Louisiana on July 1, 1974. A seven person council and an elected mayor govern the City, as reflected in the organizational chart of the City's administrative departments included in this introductory section. The City's department directors with the exception of the Police Department, which is governed by an elected chief, report to the Chief Administrative Officer who in turn reports directly to the Mayor.



This report includes all funds and account groups of the City. The City provides a full range of services. These services include police and fire protection; sanitation services; the construction and maintenance of highways, streets, and infrastructure; recreational activities and cultural events. As required by generally accepted accounting principles, the financial statements of the reporting entity present the primary government (the City) and its component unit. Component units are defined as legally separate organizations for which the City is financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with the primary government (the City) is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The Firemen's Pension and Relief Fund is included in the City's reporting entity as a blended component unit because of its operational relationship with the City and because its exclusion would render the financial statements incomplete or misleading.

## THE REPORT FORM

The authoritative promulgations by the Governmental Accounting Standards Board (GASB) were applied in the preparation of this report. As outlined in these promulgations, the City's funds are grouped into three broad fund types (governmental, proprietary, and fiduciary) and two account groups (general fixed assets and general long-term debt). In general, governmental funds measure income (the flow of current financial resources), whereas proprietary funds measure wealth (the preservation and changes to capital).

This report is prepared in a pyramid form whereby at the base are statements on individual funds. Next the combining statements combine each fund of the same type to give totals for each of the seven generic fund types. Finally, the five statements under the heading "General Purpose Financial Statements" summarize these seven generic fund types and two account groups, and other significant accounting information.

## MAJOR INITIATIVES AND ECONOMIC OUTLOOK

### For the Year

Sales tax revenues grew steadily during the year which provided new funds to cover ever increasing costs. Also, other smaller revenues continued to grow.

The City again received significant revenue from the Treasure Chest Casino. However, it decreased due to the opening of the land based casino in New Orleans. These funds are dedicated to capital outlay and debt service.

The new fire station in North Kenner was completed.

Construction of the new police complex and jail continued. Another parcel of land was acquired for the new city park being developed in North Kenner. Also, drainage improvements being funded by a federal grant continued in South Kenner.

Construction of a new gym in South Kenner started.

The City entered into a new contract effective July 1, 1999 with Professional Services Group which operates the City's sewerage system. The new contract reduces the City's costs which will provide funds for additional capital improvements to the sewerage system.

Costs to collect and dispose of garbage rose significantly during the year due to increased costs for collection of garbage and due to the closing of the landfill the City uses to dispose of garbage. The costs for the new landfill are significantly higher. An increase was approved in the City's service charge for garbage collection to cover these increased costs.



In November 1999, the voters approved the renewal of a property tax for roads for 15 years, which will provide the City with significant new funds to maintain the roads throughout the City. This property tax is currently being collected in Kenner by Jefferson Parish to debt service Jefferson Parish bonds, which were issued to do roadwork in Kenner. Jefferson Parish is loaning the City \$500,000 per year for 1999 through 2002 to do road maintenance in the City. In 2003, the Parish's property tax will expire and the City will start collecting it. At that time, the City will repay the loans from Jefferson Parish and then the funds generated each year will be available for the City to do roadwork. The property tax currently generates approximately \$2 million per year.

#### For the Future

The City's sales tax revenue is expected to continue to steadily grow. This will help offset increases in the costs of providing services to the public.

The riverboat casino is expected to continue to provide significant funds for further capital outlay. In the coming year, the City is embarking on a plan to do significant infrastructure improvements throughout the City.

Last year it was noted that the City received two federal grants totaling seven (\$7) million dollars. Five (\$5) million is for further sewerage improvements. The other two (\$2) million is for a planetarium. These grants require the City to provide an equal amount as a match. In August 2000, the City refinanced the 1996A and B Certificates of Indebtedness to provide the matching funds.

The sewerage funds will be used to expand the City's newest sewer treatment plant and close down the two older plants. The expansion will add enough capacity to accommodate the City's needs in the foreseeable future. The project started in late 2000. The planetarium project will start in early 2001.

### FINANCIAL INFORMATION

#### Internal Accounting Control

Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

#### Single Audit

As a recipient of federal, state and parish financial assistance, the City also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is subject to periodic evaluation by management. I believe that the City's internal control structure adequately safeguards assets and provides reasonable assurance of proper recording of financial transactions.

*As a part of the City's single audit, described earlier, tests are made to determine the adequacy of the internal control structure, including that portion related to federal financial assistance programs, as well as to determine that the City has complied with applicable laws and regulations. The results of the City's single audit for the fiscal year-ended June 30, 2000 are included in the Single Audit Section of this report.*

#### Budgetary Control

In addition, the government maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the City's governing body. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Enterprise Funds are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is at the fund level, except for the General Fund which is at the departmental level. Any amendments to the total budgeted expenditures of a department require Council approval. The Mayor can approve changes to the budget within a department, as long as the total is not changed. The government also maintains an encumbrance accounting system as one technique of accomplishing budgetary control.

Besides comparing current year expenditures to the prior year, comparison to budget is of paramount importance in a government's financial reporting. The City Council annually adopts a budget for each governmental fund type (except capital projects are budgeted on a project basis) and proprietary type funds (except for the Internal Service Funds). Budgetary accounting is not used for the Self Insurance and Health Insurance Internal Service Funds because management considers effective budgetary control achieved since their amounts, which are charged back to other funds, are included as expenditures in each Fund's budget. Budgets are adopted by June 1 for the fiscal year which begins the following July 1. Revenues and expenditures are budgeted on the modified accrual or accrual basis as appropriate for the fund type. Encumbrances of the current year are recorded as obligations against budgeted appropriations and are included in the columns titled "budgetary" in the statements in the financial section of this report. Unencumbered appropriations in any year are dedicated to capital outlay of the department and budgeted in the following year.

#### GENERAL GOVERNMENT FUNCTIONS

Legal restrictions and generally accepted accounting principles require the operations of recurring governmental functions to be presented in separate funds. However, it has been found that it is much easier to grasp the state of governmental finances when data from different funds is consolidated on one report. The General Fund, special revenue funds receiving resources from taxes (specifically, the One Percent Sales Tax of 1984, the Garbage Collection, Roads and Bridges, Street Lighting and Fire Department Funds), and debt service funds each contain part of the entire scope of recurring governmental operations. Special revenue funds receiving resources from intergovernmental or miscellaneous revenue and capital improvements funds are used for non-recurring outlays of the City.

The following schedule presents a summary of revenues of funds used to report recurring governmental operations for the fiscal year-ended June 30, 2000 and the amount and percentage of increases and decreases in relation to prior year revenues.

<u>Revenues</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1999</u>	<u>Percent of Increase (Decrease)</u>
Taxes	\$ 45,269,789	80.62	\$ 652,401	1.46
Licenses and permits	2,444,269	4.35	44,693	1.86
Intergovernmental	2,181,274	3.88	(185,062)	(7.82)
Charges for services	2,385,983	4.25	649,694	37.42
Fines and forfeitures	2,135,780	3.80	289,570	15.68
Special assessments	29,271	.05	(1)	-
Interest	1,341,532	2.39	155,878	13.15
Miscellaneous	<u>369,250</u>	<u>.66</u>	<u>105,840</u>	<u>40.18</u>
Total	<u>\$ 56,157,148</u>	<u>100.00</u>	<u>\$ 1,713,013</u>	

The increase in taxes was due to growth in sales taxes, parking taxes, and franchise fees, however, revenue from the Riverboat decreased as noted earlier.

Intergovernmental revenues decreased due to reduction in law enforcement grants received from the state.

Charges for services increased due to the increase in the City's service charge for garbage collection noted earlier.

Fines and forfeitures revenue increased due to additional traffic fines.

Interest income increased due to higher interest rates although the funds invested decreased due to funds spent on the construction of the new police complex.

Miscellaneous revenue increased due to revenue the Firemen's Pension Merger fund received from the Fire Department fund to pay debt service on the merger debt.

The following schedule presents a summary of expenditures of funds used to report recurring governmental operations for the fiscal year-ended June 30, 2000 and the percentage of increases and decreases in relation to prior year amounts.

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase (Decrease) from 1998</u>	<u>Percent of Increase (Decrease)</u>
Current:				
General government	\$ 8,007,147	14.68	\$ 288,219	3.70
Public safety	24,260,970	44.48	3,437,258	17.38
Public works	10,457,925	19.17	3,395,749	48.08
Health and welfare	562,850	1.03	(226,666)	(28.70)
Culture and recreation	3,151,513	5.78	(711,229)	(18.41)
Transit and urban development	398,474	.73	(37,573)	(8.62)
Miscellaneous	1,674,621	3.07	128,203	8.29
Debt service:				
Principal	3,528,492	6.47	182,289	5.45
Interest and fiscal charges	2,488,449	4.56	22,187	.89
Agent fees	13,497	.03	(3)	-
Total	<u>\$ 54,543,938</u>	<u>100.00</u>	<u>\$ 6,478,434</u>	

Public safety expenditures increased due to expenditures in connection with the new police complex and jail under construction.

Public works expenditures increased due to additional purchases of new equipment and combining the community services and recreation maintenance sections into public works, which also explains the decreases in health and welfare and culture and recreation. Public works also increased due to the increase in garbage collection expenditures noted earlier.

Debt service expenditures increased due to debt service on the firemen's pension merger liability.

#### General Fund

The following table summarizes the changes in fund balance of the General Fund compared to the prior fiscal year.

	<u>1999</u>	<u>2000</u>	<u>FUND BALANCE INCREASE (DECREASE)</u>
Revenues	\$ 34,751,244	\$ 34,963,584	\$ 212,340
Expenditures	(33,992,327)	(38,013,889)	(4,021,562)
Net other financing sources (uses)	<u>940,004</u>	<u>(62,295)</u>	<u>(1,002,299)</u>
Excess	1,698,921	(3,112,600)	(4,811,521)
Beginning fund balance	<u>19,634,937</u>	<u>21,333,858</u>	<u>1,698,921</u>
Ending fund balance	<u>\$ 21,333,858</u>	<u>\$ 18,221,258</u>	<u>\$ (3,112,600)</u>

The reasons for the changes in the General Fund revenues and expenditures are the same as the changes in revenues and expenditures for recurring governmental operations which were explained earlier.

The net other financing sources decreased due to transfers to the garbage collection fund to help cover the increased garbage collection expenditures.

The significant decrease in the General Fund fund balance reserved for encumbrances was due to expenditures on the contract for the new police complex and jail which has been encumbered in the prior year.



The significant balance in the General Fund fund balance reserved for capital expenditures is due to funds remaining in department budgets, which by ordinance are dedicated to those departments for future capital outlay, the largest portion being for the police department.

The General Fund fund balance designated for subsequent year expenditures is primarily for funds accrued from the riverboat in the year ended June 30, 2000 but budgeted for expenditures in the subsequent year when they are received.

The General Fund balance which is unreserved and undesignated increased due to revenues received over the amount budgeted. Focusing on the General Fund alone does not present a complete picture of the City's expenditures for recurring government functions. Part of the expenditures for this purpose are accounted for in selected special revenue and debt service funds and are included on the schedule of expenditures shown previously.

#### Special Revenue Funds

The fund balance of the Special Revenue Funds decreased due to the purchase of a new fire truck which the fire department had been setting aside funds for.

#### Debt Service Funds

The fund balance in the Debt Service Funds decreased due to the initial payment on the Firemen's Pension Merger liability.

#### Capital Project Funds

The fund balance of the General Capital Projects Fund increased due to projects being funded by the revenues from the riverboat. The operating transfers out were transfers to debt service funds as a portion of the riverboat revenues are dedicated to retiring debt. The fund balance in the Capital Projects Fund with Bond Proceeds fund decreased due to completion of several projects.

#### Enterprise Funds

The Department of Wastewater Operations has a deficit in retained earnings due to depreciation taken on assets which were purchased through EPA grants under which the majority of the funds were provided by the EPA.

The Civic Center Operations Fund also has a deficit in retained earnings due to depreciation taken on assets acquired through bond proceeds.

#### Internal Service Funds

The retained earnings in the Self-Insurance Fund increased due to reduced claims.

The retained earnings in the Health Insurance Fund increased due to increased charges to departments for employees' insurance costs.

#### Fiduciary Funds

The Firemen's Pension and Relief Fund was merged into the Louisiana Firefighters Retirement System in the prior year. The amounts remaining are in a contingency fund to pay the benefits of retired members until they become eligible for benefits under the State System and to cover other contingencies.

## DEBT

The following table summarizes the changes in the City's bonds and certificates outstanding, notes and other debt during the fiscal year:

<u>Outstanding July 1, 1999</u>	<u>Issued During Year</u>	<u>Paid During Year</u>	<u>Outstanding June 30, 2000</u>
\$48,505,000	\$ -	\$ 3,528,000	\$44,977,000

Of the total amount outstanding, \$1,190,000 was in General Obligation Refunding Bonds, \$26,510,000 was in Sales Tax Refunding Bonds, \$10,795,000 was in sales tax bonds, \$3,045,000 was in excess revenue bonds, \$2,927,000 was in pension merger payable, and \$510,000 was in capital leases. Please see Note G in the Notes to Financial Statements for details of changes in long term debt. The ratio of net long-term debt to assessed valuation and the amount of bonded debt per capita are useful indicators of the City's debt position. This data for the current fiscal year and the prior fiscal year is as follows:

<u>Fiscal Year</u>	<u>Net Long-Term Debt</u>	<u>Ratio of Net Long-Term Debt to Assessed Value</u>	<u>Net Long-Term Debt Per Capita</u>
2000	\$ 34,724,867	9.78%	462.67
1999	\$37,916,240	11.08%	510.86

Net long-term debt includes general obligation bonds, and special tax bonds with governmental commitment less amounts available in the Debt Service Funds.

The ratio of net long-term debt to assessed value and net long-term debt per capita decreased due to payments made during the year.

The City's ad valorem debt is rated Baa by Moody's Investors Service. This rating was changed from Baa1 in 1988. The City's sales tax debt is rated "AAA" by Standard & Poor's Ratings Group.

## CASH MANAGEMENT

The City has a fiscal agent contract to handle its operating accounts. Transaction balances are kept in sweep accounts, where balances are swept into overnight repurchase agreements earning Federal Funds rates less 150 basis points, and investable balances are kept in money market accounts. The City, however, still reserves the right to remove investable funds and invest them at other institutions. The balances in the money market accounts and the repurchase agreements are reported on the balance sheet as "investments".

Funds being held as reserves on bonds and amounts being accumulated to pay principal and interest on bonds are held in trust accounts. The trustee invests the funds under the direction of the City.

Bond proceeds being used for construction are invested in U. S. Government Securities for terms based on the draw down schedules of the projects. The investments are made using the services of a financial investment advisory company with which the City has an agreement to provide these services.

Total interest earnings for all the governmental fund types and expendable trust funds of the City increased to \$1,754,368 this year from \$1,557,624 last year. The increase is due to higher interest rates although the available cash balances increased during the current year. Construction funds increased as funds are available for various projects from the riverboat revenue. Other funds decreased due to the decrease in the General Fund's fund balance explained earlier.



The following table shows the changes in total cash and investments for those funds by purpose, during the fiscal year:

	Balance on <u>6/30/99</u>	Balance on <u>6/30/00</u>	Increase (Decrease)
Sinking funds	\$ 6,474,404	\$ 6,156,725	\$ (317,679)
Construction funds	\$ 6,513,723	\$ 9,155,014	\$ 2,641,291
All other funds	\$ 18,429,235	\$15,033,199	\$(3,396,036)

#### RISK MANAGEMENT

To account for and finance its uninsured risks of loss, the City has established a Self-Insurance Fund (an internal service fund). Under this program, the Self-Insurance Fund provides coverage for up to a maximum of \$250,000 for each general liability claim, with commercial insurance for claims in excess of coverage provided by the fund up to \$10,000,000; coverage for up to a maximum of \$250,000 for each auto liability claim, with commercial insurance for claims in excess of coverage provided by the fund up to \$10,000,000; and coverage for up to a maximum of \$300,000 for each worker's compensation claim, with commercial insurance for claims in excess of coverage provided by the fund up to \$1,000,000.

The Self-Insurance Fund also provides coverage for auto/physical damage which requires a \$1,000 deductible per department per occurrence. The remaining balance on the claim is paid by the Self-Insurance Fund. See Note P in the Notes to Financial Statements for additional details.

#### LEGAL COMPLIANCE

The Single Audit Act of 1984 (P. L. 98-502) and related 1996 Amendments requires reports by the Auditors on compliance and on the internal control over financial reporting in accordance with Government Auditing Standards, the City's compliance with requirements applicable to each major program and internal control over compliance in accordance with OMB Circular A-133 and the Schedule of Expenditures of Federal Awards. These reports, along with the City management's responses to the non-compliance findings, are presented in the Single Audit Section of this report.

#### INDEPENDENT AUDIT

Louisiana municipalities not audited by the Legislative Auditor are required by La. R.S. 24:517 to have conducted annually an audit of their accounts by a certified public accountant. Moreover, the City Charter (Section 2:28) requires that the Council shall execute a contract each year with a certified public accountant or a firm of certified public accountants for an examination of the accounts of the City to include all funds appropriated by the Council. These requirements have been complied with and the opinion of the firm of Rebowe & Company, Certified Public Accountants - A Professional Corporation has been included in this report.

#### AWARDS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the fiscal year-ended June 30, 1999. This was the sixth consecutive year that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

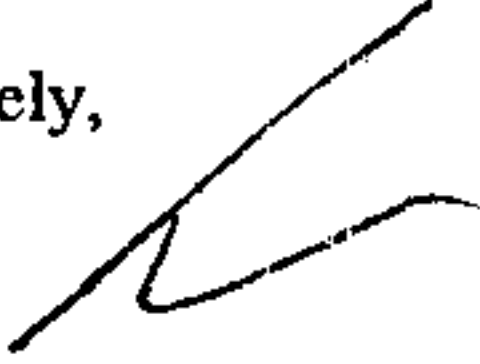
## ACKNOWLEDGMENTS

The preparation of the Comprehensive Annual Financial Report on a timely basis was made possible by the dedicated service of the entire staff of the Finance Department. Each member of the department has my sincere appreciation for the contributions made in the preparation of this report.

I would also like to thank the staff at Rebowe & Company, Certified Public Accountants - A Professional Corporation, for their invaluable assistance in compiling this Comprehensive Annual Financial Report of the City of Kenner.

In closing, without the leadership and support of the Mayor, the Chief Administrative Officer and the City Council, preparation of this report would not have been possible.

Sincerely,

A handwritten signature in black ink, appearing to be 'Duke P. McConnell', written over a horizontal line.

DUKE P. McCONNELL, CPA  
Chief Financial Officer

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Kenner,  
Louisiana

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 1999

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Anne Spray Kinney*  
President

*Jeffrey L. Esser*  
Executive Director

## SELECTED OFFICIALS OF THE CITY OF KENNER

### CITY COUNCIL

Councilman at Large  
Councilman at Large  
District No. 1  
District No. 2  
District No. 3  
District No. 4  
District No. 5

Terry McCarthy  
Betty Bonura  
Marc E. Johnson  
John T. Lavarine, III  
Jeannie M. Black  
Michele Branigan  
Philip L. Capitano

### EXECUTIVE STAFF

Mayor  
Chief Administrative Officer  
Deputy Chief Administrative Officer

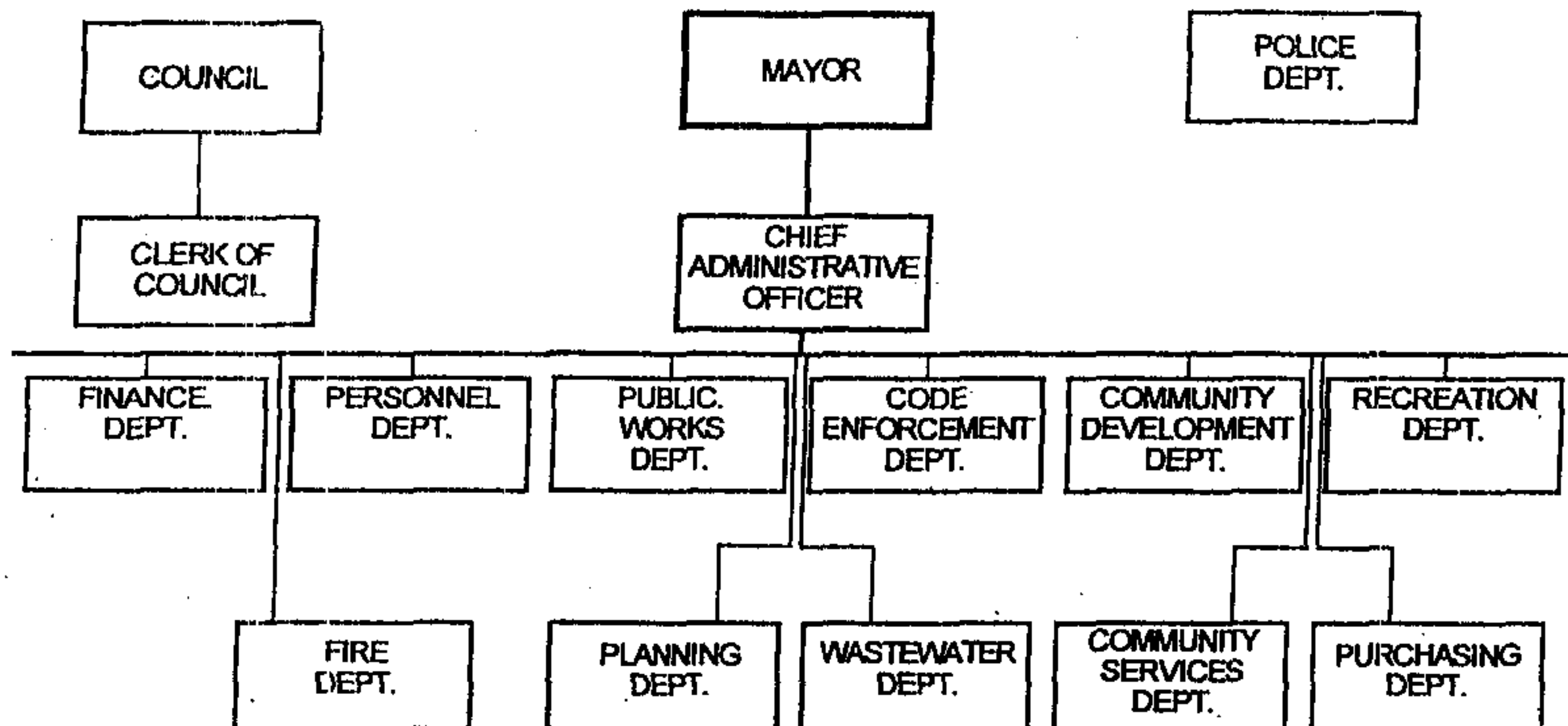
Honorable Louis J. Congemi  
Joseph Nicolosi  
Carol Luna

### DEPARTMENT HEADS

City Attorney  
Department of Code Enforcement  
Department of Community Services  
Department of Finance  
Department of Personnel  
Department of Planning  
Department of Public Works  
Fire Chief  
Police Chief  
Department of Community Development  
Department of Purchasing

James Maxwell  
Keith Chiro  
Edgar Bernard  
Duke P. McConnell  
Beverly Nicolosi  
William McWilliams  
Mike Scardina  
Mike Zito  
Nick Congemi  
Elizabeth Bates  
Charlie Sulzer

**ORGANIZATIONAL CHART  
OF THE  
CITY OF KENNER, LOUISIANA**





# CITY OF KENNER

ST CHARLES PARISH

LAKE PONTCHARTRAIN

NEW ORLEANS  
INTERNATIONAL  
AIRPORT

INTERSTATE 10

KENNER CITY LIMITS

MISSISSIPPI RIVER

SCALE 0 500 1000

PREPARED BY.  
DEPARTMENT OF PLANNING

(THIS PAGE LEFT BLANK INTENTIONALLY)

**FINANCIAL SECTION**



(THIS PAGE LEFT BLANK INTENTIONALLY)

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

3501 N. Causeway Blvd. • Suite 810 • P.O. Box 6952 • Metairie, LA 70009  
Phone (504) 837-9116 • Fax (504) 837-0123 • E-mail rebowe@rebowe.com

## INDEPENDENT AUDITOR'S REPORT

Honorable Mayor and Members of the Council  
**City of Kenner, Louisiana**

We have audited the accompanying general-purpose financial statements and the combining and individual fund and account group financial statements of the **City of Kenner, Louisiana**, as of and for the year ended June 30, 2000, as listed in the table of contents. These financial statements are the responsibility of the **City of Kenner's** management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general-purpose financial statements referred to above present fairly, in all material respects, the financial position of the **City of Kenner, Louisiana** as of June 30, 2000, and the results of its operations and the cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2000 on our consideration of the **City of Kenner's** internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements of the **City of Kenner, Louisiana**, taken as a whole, and on the combining and individual fund account group financial statements. The accompanying financial information listed as supplementary information and statistical data in the table of contents is presented for purposes of additional analysis and is not a required part of the general-purpose financial statements of the **City of Kenner, Louisiana**. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the general-purpose financial statements. Such information, except for that portion marked "unaudited", on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the

general-purpose, combining and individual fund and account group financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the general-purpose, combining and individual fund and account group financial statements taken as a whole.

*Reboue & Company*

December 18, 2000

## **GENERAL PURPOSE FINANCIAL STATEMENTS**

CITY OF KENNER, LOUISIANA  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS  
June 30, 2000

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
<b>ASSETS AND OTHER DEBITS</b>				
Assets:				
Cash	\$ 125,304	\$ 803,031	\$ 224,355	\$ 993,638
Equity in pooled cash and investments	2,179,283	15,872	39,165	2,190,487
Investments	9,754,095	2,155,614	5,893,205	5,970,889
Receivables (net, where applicable, of allowances for uncollectibles)	-	-	-	-
Ad valorem taxes	-	-	-	-
Accounts	3,809,673	-	-	-
Intergovernmental	3,133,494	2,319,038	666,548	1,070,784
Special assessments - delinquent	26,932	-	-	-
Interest	-	-	9,193	-
Other	-	630,092	-	493
Due from other funds	4,200,564	1,917,510	119,333	95,726
Inventory, at cost	77,748	-	-	-
Prepaid items	99,783	2,801	-	-
Deposits	-	-	-	-
Property, plant and equipment (net; where applicable, of accumulated depreciation)	-	-	-	-
Other debits				
Amount available:				
in Debt Service Funds	-	-	-	-
in Special Revenue Funds	-	-	-	-
Amount to be provided for retirement of long-term debt	-	-	-	-
<b>TOTAL ASSETS AND OTHER DEBITS</b>	<b>\$ 23,406,876</b>	<b>\$ 7,843,958</b>	<b>\$ 6,951,799</b>	<b>\$ 10,322,017</b>

(Continued)

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG - TERM DEBT	
\$ 454,681	\$ 785,925	\$ 135,396	\$ -	\$ -	\$ 3,522,330
428,413	-	1	-	-	4,853,221
825,558	4,591,237	983,899	-	-	30,174,497
-	-	1,351,566	-	-	1,351,566
-	-	-	-	-	3,809,673
81,163	-	300,594	-	-	7,571,621
-	-	-	-	-	26,932
-	-	6,901	-	-	16,094
1,495,583	-	60	-	-	2,126,228
131,755	-	-	-	-	6,464,888
-	-	-	-	-	77,748
316,415	-	4,971	-	-	423,970
3,669	-	-	-	-	3,669
70,933,674	-	-	100,764,739	-	171,698,413
-	-	-	-	6,848,999	6,848,999
-	-	-	-	-	-
-	-	-	-	40,199,970	40,199,970
<u>\$ 74,670,911</u>	<u>\$ 5,377,162</u>	<u>\$ 2,783,388</u>	<u>\$ 100,764,739</u>	<u>\$ 47,048,969</u>	<u>\$ 279,169,819</u>

CITY OF KENNER, LOUISIANA  
COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS (CONTINUED)  
June 30, 2000

	GOVERNMENTAL FUND TYPES			
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
LIABILITIES, EQUITY AND OTHER CREDITS				
Liabilities:				
Accounts payable	\$ 885,774	\$ 291,705	\$ -	\$ 584,982
Contracts payable	-	4,658	-	-
Retainages payable	548,440	-	-	85,686
Current portion of mortgage note payable	-	-	-	-
Current portion of notes payable	-	-	-	-
Accrued liabilities	1,035,111	124,677	-	-
Estimated claims payable	-	-	-	-
Deposits on future events	-	-	-	-
Due to other funds	561,592	3,805,578	-	215,868
Due to other governments	847,910	-	-	-
Refunds payable	-	-	-	-
Deferred revenues	1,192,117	894,712	102,797	250,000
Other liabilities	114,674	-	-	-
Compensated absences	-	-	-	-
Notes payable	-	-	-	-
Mortgage note payable	-	-	-	-
General obligation and special sales tax bonds	-	-	-	-
Special assessment debt with governmental commitment	-	-	-	-
Capital leases	-	-	-	-
<b>TOTAL LIABILITIES</b>	<b>5,185,618</b>	<b>5,121,330</b>	<b>102,797</b>	<b>1,136,536</b>
Equity and other credits:				
Investment in general fixed assets	-	-	-	-
Contributed capital	-	-	-	-
Retained earnings				
Unreserved (deficit)	-	-	-	-
Fund balances:				
Reserved for				
Encumbrances	1,915,408	398,861	-	1,506,215
Inventory	77,748	-	-	-
Prepaid items	99,783	2,801	-	-
Restricted expenditures	1,731,733	763,452	-	-
Capital expenditures	7,823,129	-	-	-
Debt service	-	-	6,849,002	-
Employees' pension benefits	-	-	-	-
Unreserved				
Designated for subsequent years' expenditures	2,189,291	1,424,830	-	-
Designated for capital additions and improvements	-	-	-	7,679,266
Undesignated	4,384,166	132,684	-	-
<b>TOTAL RETAINED EARNINGS/ FUND BALANCE</b>	<b>18,221,258</b>	<b>2,722,628</b>	<b>6,849,002</b>	<b>9,185,481</b>
<b>TOTAL EQUITY AND OTHER CREDITS</b>	<b>18,221,258</b>	<b>2,722,628</b>	<b>6,849,002</b>	<b>9,185,481</b>
<b>TOTAL LIABILITIES, EQUITY AND OTHER CREDITS</b>	<b>\$ 23,406,876</b>	<b>\$ 7,843,958</b>	<b>\$ 6,951,799</b>	<b>\$ 10,322,017</b>

The accompanying notes are an integral part of this statement.

PROPRIETARY FUND TYPES		FIDUCIARY FUND TYPES	ACCOUNT GROUPS		TOTAL (MEMORANDUM ONLY)
ENTERPRISE	INTERNAL SERVICE	TRUST AND AGENCY	GENERAL FIXED ASSETS	GENERAL LONG - TERM DEBT	
\$ 216,776	\$ 673,483	1,800	\$ -	\$ -	\$ 2,654,520
-	-	-	-	-	4,658
-	-	-	-	-	634,126
-	-	-	-	-	-
1,972	-	-	-	-	1,972
145,962	-	-	-	-	1,305,750
-	2,736,793	-	-	-	2,736,793
161,318	-	-	-	-	161,318
299,464	4,344	1,578,042	-	-	6,464,888
-	-	200,396	-	-	1,048,306
-	-	120	-	-	120
147,278	-	-	-	-	2,586,904
-	-	-	-	-	114,674
-	-	-	-	2,072,221	2,072,221
-	-	-	-	2,926,748	2,926,748
19,575	-	-	-	-	19,575
-	-	-	-	41,540,000	41,540,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	510,000	510,000
992,345	3,414,620	1,780,358	-	47,048,969	64,782,573
-	-	-	100,764,739	-	100,764,739
93,179,886	-	-	-	-	93,179,886
(19,501,320)	1,962,542	-	-	-	(17,538,778)
-	-	-	-	-	3,820,484
-	-	-	-	-	77,748
-	-	-	-	-	102,584
-	-	-	-	-	2,495,185
-	-	-	-	-	7,823,129
-	-	-	-	-	6,849,002
-	-	1,003,030	-	-	1,003,030
-	-	-	-	-	3,614,121
-	-	-	-	-	7,679,266
-	-	-	-	-	4,516,850
(19,501,320)	1,962,542	1,003,030	-	-	20,442,621
73,678,566	1,962,542	1,003,030	100,764,739	-	214,387,246
\$ 74,670,911	\$ 5,377,162	\$ 2,783,388	\$ 100,764,739	\$ 47,048,969	\$ 279,169,819



CITY OF KENNER, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - ALL GOVERNMENTAL FUND TYPES  
 Year Ended June 30, 2000

	GOVERNMENTAL FUND TYPES		
	GENERAL	SPECIAL REVENUE	DEBT SERVICE
<b>REVENUES</b>			
Taxes	\$ 26,742,946	\$ 14,463,770	\$ 4,063,073
Licenses and permits	2,444,269	-	-
Intergovernmental	2,181,274	1,049,573	-
Charges for services	494,093	1,891,890	-
Fines and forfeitures	2,135,780	-	-
Special assessments	-	-	29,271
Interest	817,806	127,585	414,095
Miscellaneous	147,416	153,580	208,226
<b>TOTAL REVENUES</b>	<b>34,963,584</b>	<b>17,686,398</b>	<b>4,714,665</b>
<b>EXPENDITURES</b>			
Current			
General government	8,007,147	-	-
Public safety	19,713,821	4,794,181	-
Public works	4,505,463	5,983,810	-
Health and welfare	562,850	-	-
Culture and recreation	3,151,513	12,111	-
Transit and urban development	398,474	822,593	-
Miscellaneous	1,674,621	-	-
Debt service			
Principal	-	-	3,528,492
Interest and fiscal charges	-	-	2,488,449
Agent fees	-	-	1,500
Miscellaneous	-	-	11,997
<b>TOTAL EXPENDITURES</b>	<b>38,013,889</b>	<b>11,612,695</b>	<b>6,030,438</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,050,305)</b>	<b>6,073,703</b>	<b>(1,315,773)</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers in	7,537,286	4,115,716	1,226,597
Operating transfers out	(7,599,581)	(10,858,683)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(62,295)</b>	<b>(6,742,967)</b>	<b>1,226,597</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(3,112,600)</b>	<b>(669,264)</b>	<b>(89,176)</b>
<b>FUND BALANCES</b>			
AT BEGINNING OF YEAR	21,333,858	3,391,892	6,938,178
AT END OF YEAR	\$ 18,221,258	\$ 2,722,628	\$ 6,849,002

The accompanying notes are an integral part of this statement.

CAPITAL PROJECTS	TOTAL (MEMORANDUM ONLY)
\$ -	\$ 45,269,789
-	2,444,269
2,533,389	5,764,236
-	2,385,983
-	2,135,780
-	29,271
394,882	1,754,368
30,000	539,222
<u>2,958,271</u>	<u>60,322,918</u>
444,677	8,451,824
1,313,712	25,821,714
2,962,871	13,452,144
-	562,850
1,127,050	4,290,674
-	1,221,067
-	1,674,621
-	3,528,492
-	2,488,449
-	1,500
-	11,997
<u>5,848,310</u>	<u>61,505,332</u>
<u>(2,890,039)</u>	<u>(1,182,414)</u>
7,006,768	19,886,367
<u>(1,428,103)</u>	<u>(19,886,367)</u>
<u>5,578,665</u>	<u>-</u>
2,688,626	(1,182,414)
<u>6,496,855</u>	<u>38,160,783</u>
<u>\$ 9,185,481</u>	<u>\$ 36,978,369</u>

CITY OF KENNER, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUND TYPES  
 Year Ended June 30, 2000

	GENERAL FUND				VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	
REVENUES					
Taxes	\$ 26,742,946	\$ 936,508	\$ 27,679,454	\$ 25,897,210	\$ 1,782,244
Licenses and permits	2,444,269	-	2,444,269	2,423,181	21,088
Intergovernmental	2,181,274	-	2,181,274	1,906,105	275,169
Charges for services	494,093	-	494,093	475,136	18,957
Fines and forfeitures	2,135,780	-	2,135,780	1,648,370	487,410
Interest	817,806	-	817,806	385,760	432,046
Miscellaneous	147,416	-	147,416	91,945	55,471
TOTAL REVENUES	34,963,584	936,508	35,900,092	32,827,707	3,072,385
EXPENDITURES					
Current					
General government	8,007,147	478,097	8,485,244	8,790,711	305,467
Public safety	19,713,821	(5,925,158)	13,788,663	19,639,898	5,851,235
Public works	4,505,463	(253,899)	4,251,564	4,293,264	41,700
Health and welfare	562,850	(1,873)	560,977	576,858	15,881
Culture and recreation	3,151,513	(88,231)	3,063,282	3,550,344	487,062
Transit and urban development	398,474	-	398,474	428,278	29,804
Miscellaneous	1,674,621	(5,284)	1,669,337	1,677,390	8,053
TOTAL EXPENDITURES	38,013,889	(5,796,348)	32,217,541	38,956,743	6,739,202
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,050,305)	6,732,856	3,682,551	(6,129,036)	9,811,587
OTHER FINANCING SOURCES (USES)					
Operating transfers in	7,537,286	-	7,537,286	6,723,445	813,841
Operating transfers out	(7,599,581)	-	(7,599,581)	(7,573,710)	(25,871)
TOTAL OTHER FINANCING SOURCES	(62,295)	-	(62,295)	(850,265)	787,970
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER EXPENDITURES AND OTHER FINANCING USES	(3,112,600)	6,732,856	3,620,256	(6,979,301)	10,599,557
FUND BALANCES					
AT BEGINNING OF YEAR	21,333,858	(4,962,281)	16,371,577	16,371,577	-
AT END OF YEAR	\$ 18,221,258	\$ 1,770,575	\$ 19,991,833	\$ 9,392,276	\$ 10,599,557

(Continued)

CITY OF KENNER, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUND TYPES (CONTINUED)  
 Year Ended June 30, 2000

	ANNUALLY BUDGETED SPECIAL REVENUE FUNDS				VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	
REVENUES					
Taxes	\$ 14,463,770	\$ -	\$ 14,463,770	\$ 14,150,851	\$ 312,919
Intergovernmental	795,571	-	795,571	2,432,803	(1,637,232)
Charges for services	1,891,890	-	1,891,890	1,899,374	(7,484)
Interest	109,763	-	109,763	70,219	39,544
Miscellaneous	71,679	-	71,679	8,500	63,179
TOTAL REVENUES	<u>17,332,673</u>	<u>-</u>	<u>17,332,673</u>	<u>18,561,747</u>	<u>(1,229,074)</u>
EXPENDITURES					
Current					
Public safety	4,547,149	(489,628)	4,057,521	5,361,424	1,303,903
Public works	5,983,810	(197,218)	5,786,592	6,455,552	668,960
Culture and recreation	12,111	-	12,111	275,540	263,429
Urban development	822,593	370,270	1,192,863	2,033,427	840,564
TOTAL EXPENDITURES	<u>11,365,663</u>	<u>(316,576)</u>	<u>11,049,087</u>	<u>14,125,943</u>	<u>3,076,856</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>5,967,010</u>	<u>316,576</u>	<u>6,283,586</u>	<u>4,435,804</u>	<u>1,847,782</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	4,094,501	-	4,094,501	4,437,673	(343,172)
Operating transfers out	(10,858,683)	-	(10,858,683)	(10,680,183)	(178,500)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(6,764,182)</u>	<u>-</u>	<u>(6,764,182)</u>	<u>(6,242,510)</u>	<u>(521,672)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES	<u>(797,172)</u>	<u>316,576</u>	<u>(480,596)</u>	<u>(1,806,706)</u>	<u>1,326,110</u>
FUND BALANCES					
AT BEGINNING OF YEAR	<u>2,756,348</u>	<u>(715,438)</u>	<u>2,040,910</u>	<u>2,040,910</u>	<u>-</u>
AT END OF YEAR	<u>\$ 1,959,176</u>	<u>\$ (398,862)</u>	<u>\$ 1,560,314</u>	<u>\$ 234,204</u>	<u>\$ 1,326,110</u>

(Continued)

CITY OF KENNER, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
 GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUND TYPES (CONTINUED)  
 Year Ended June 30, 2000

	DEBT SERVICE FUNDS				VARIANCE FAVORABLE (UNFAVORABLE)
	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	
<b>REVENUES</b>					
Taxes	\$ 4,063,073	\$ -	\$ 4,063,073	\$ 4,263,480	\$ (200,407)
Special assessments	29,271	-	29,271	-	29,271
Interest	414,095	-	414,095	347,986	66,109
Miscellaneous	208,226	(100,613)	107,613	345,005	(237,392)
<b>TOTAL REVENUES</b>	<b>4,714,665</b>	<b>(100,613)</b>	<b>4,614,052</b>	<b>4,956,471</b>	<b>(342,419)</b>
<b>EXPENDITURES</b>					
Debt service					
Principal	3,528,492	(63,173)	3,465,319	3,821,431	356,112
Interest and fiscal charges	2,488,449	(37,440)	2,451,009	2,541,260	90,251
Agent fees	1,500	-	1,500	1,500	-
Miscellaneous	11,997	-	11,997	12,000	3
<b>TOTAL EXPENDITURES</b>	<b>6,030,438</b>	<b>(100,613)</b>	<b>5,929,825</b>	<b>6,376,191</b>	<b>446,366</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,315,773)</b>	<b>-</b>	<b>(1,315,773)</b>	<b>(1,419,720)</b>	<b>103,947</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	1,226,597	-	1,226,597	1,497,400	(270,803)
Operating transfers out	-	-	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,226,597</b>	<b>-</b>	<b>1,226,597</b>	<b>1,497,400</b>	<b>(270,803)</b>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES</b>	<b>(89,176)</b>	<b>-</b>	<b>(89,176)</b>	<b>77,680</b>	<b>(166,856)</b>
<b>FUND BALANCES</b>					
AT BEGINNING OF YEAR	6,938,178	-	6,938,178	6,938,178	-
AT END OF YEAR	<u>\$ 6,849,002</u>	<u>\$ -</u>	<u>\$ 6,849,002</u>	<u>\$ 7,015,858</u>	<u>\$ (166,856)</u>

(Continued)

CITY OF KENNER, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUND TYPES (CONTINUED)  
 Year Ended June 30, 2000

TOTALS (MEMORANDUM ONLY)					
	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES					
Taxes	\$ 45,269,789	\$ 936,508	\$ 46,206,297	\$ 44,311,541	\$ 1,894,756
Licenses and permits	2,444,269	-	2,444,269	2,423,181	21,088
Intergovernmental	2,976,845	-	2,976,845	4,338,908	(1,362,063)
Charges for services	2,385,983	-	2,385,983	2,374,510	11,473
Fines and forfeitures	2,135,780	-	2,135,780	1,648,370	487,410
Special assessments	29,271	-	29,271	-	29,271
Interest	1,341,664	-	1,341,664	803,965	537,699
Miscellaneous	427,321	(100,613)	326,708	445,450	(118,742)
TOTAL REVENUES	57,010,922	835,895	57,846,817	56,345,925	1,500,892
EXPENDITURES					
Current					
General government	8,007,147	478,097	8,485,244	8,790,711	305,467
Public safety	24,260,970	(6,414,786)	17,846,184	25,001,322	7,155,138
Public works	10,489,273	(451,117)	10,038,156	10,748,816	710,660
Health and welfare	562,850	(1,873)	560,977	576,858	15,881
Culture and recreation	3,163,624	(88,231)	3,075,393	3,825,884	750,491
Transit and urban development	1,221,067	370,270	1,591,337	2,461,705	870,368
Miscellaneous	1,674,621	(5,284)	1,669,337	1,677,390	8,053
Debt service					
Principal	3,528,492	(63,173)	3,465,319	3,821,431	356,112
Interest and fiscal charges	2,488,449	(37,440)	2,451,009	2,541,260	90,251
Agent fees	1,500	-	1,500	1,500	-
Miscellaneous	11,997	-	11,997	12,000	3
TOTAL EXPENDITURES	55,409,990	(6,213,537)	49,196,453	59,458,877	10,262,424
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES					
	1,600,932	7,049,432	8,650,364	(3,112,952)	11,763,316
OTHER FINANCING SOURCES (USES)					
Operating transfers in	12,858,384	-	12,858,384	12,658,518	199,866
Operating transfers out	(18,458,264)	-	(18,458,264)	(18,253,893)	(204,371)
TOTAL OTHER FINANCING SOURCES (USES)	(5,599,880)	-	(5,599,880)	(5,595,375)	(4,505)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES AND OTHER FINANCING USES					
	(3,998,948)	7,049,432	3,050,484	(8,708,327)	11,758,811
FUND BALANCES					
AT BEGINNING OF YEAR	31,028,384	(5,677,719)	25,350,665	25,350,665	-
AT END OF YEAR	\$ 27,029,436	\$ 1,371,713	\$ 28,401,149	\$ 16,642,338	\$ 11,758,811

The accompanying notes are an integral part of this statement.



CITY OF KENNER, LOUISIANA  
 COMBINED STATEMENT OF REVENUES, EXPENSES, AND CHANGES  
 IN RETAINED EARNINGS (DEFICIT)/FUND BALANCE -  
 PROPRIETARY FUND TYPES  
 Year Ended June 30, 2000

	ENTERPRISE	INTERNAL SERVICE	TOTAL (MEMORANDUM ONLY)
OPERATING REVENUES			
Charges for services	\$ 5,397,971	\$ 4,501,347	\$ 9,899,318
Miscellaneous	8,451	-	8,451
TOTAL OPERATING REVENUES	5,406,422	4,501,347	9,907,769
OPERATING EXPENSES			
Personnel expenses	3,981	-	3,981
Supplies and office expenses	19,414	-	19,414
Building and maintenance expenses	415,733	-	415,733
Outside services	5,514,939	869,332	6,384,271
Transportation	-	-	-
Insurance claims	-	844,208	844,208
Insurance premiums	54,960	2,441,538	2,496,498
General expenses			
Depreciation	2,323,215	-	2,323,215
Other	167,191	-	167,191
TOTAL OPERATING EXPENSES	8,499,433	4,155,078	12,654,511
OPERATING INCOME (LOSS)	(3,093,011)	346,269	(2,746,742)
NON-OPERATING REVENUES (EXPENSES)			
Ad valorem taxes	476,267	-	476,267
Hotel/motel taxes	322,825	-	322,825
Cable television franchise fees	684,562	-	684,562
Interest revenue	66,287	240,618	306,905
Interest expense	(8,855)	-	(8,855)
TOTAL NON-OPERATING REVENUES	1,541,086	240,618	1,781,704
NET INCOME (LOSS) BEFORE OPERATING TRANSFERS	(1,551,925)	586,887	(965,038)
OPERATING TRANSFERS			
Transfers in	-	-	-
NET INCOME (LOSS)	(1,551,925)	586,887	(965,038)
RETAINED EARNINGS (DEFICIT)/FUND BALANCE AT BEGINNING OF YEAR	(17,949,395)	1,375,655	(16,573,740)
AT END OF YEAR	\$ (19,501,320)	\$ 1,962,542	\$ (17,538,778)

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA  
PENSION TRUST FUND  
STATEMENT OF CHANGES IN PLAN NET ASSETS  
Year Ended June 30, 2000

	<u>FIREMEN'S PENSION AND RELIEF</u>
<b>ADDITIONS</b>	
Investment Income:	
Net appreciation in fair value	(59,566)
Interest	49,442
Dividends	<u>10,158</u>
Total Investment Income	34
Less Investment Expense	<u>8,367</u>
Net Investment Income (Loss)	<u>(8,333)</u>
 <b>DEDUCTIONS</b>	
Transfer of plan assets to the Statewide	
Firefighters Retirement System	103,603
Refunds to terminated employees	816
Continued service incentive	25,323
Administrative expenses	<u>17,010</u>
TOTAL DEDUCTIONS	<u>146,752</u>
 NET DECREASE	 (155,085)
 NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
AT BEGINNING OF YEAR	<u>1,158,115</u>
AT END OF YEAR	<u><u>\$ 1,003,030</u></u>

The accompanying notes are an integral part of this statement.



CITY OF KENNER, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPES  
 Year Ended June 30, 2000

	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>	<u>TOTAL (MEMORANDUM ONLY)</u>
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS:			
Cash flows from operating activities:			
Operating income (loss)	<u>\$ (3,093,011)</u>	<u>\$ 346,269</u>	<u>\$ (2,746,742)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	2,323,215	-	2,323,215
Change in current assets (increase) decrease:			
Receivables	(50,777)	154,877	104,100
Due from other funds	108,641	-	108,641
Intergovernmental	42,081	-	42,081
Prepaid expenses	(276,170)	-	(276,170)
Change in current liabilities increase (decrease):			
Accounts payable	(7,965)	(94,953)	(102,918)
Retainage payable	(17,651)	-	(17,651)
Deferred revenue	27,127	-	27,127
Accrued liabilities	84,743	369,605	454,348
Due to other funds	182,888	600	183,488
Deposits on future events	13,321	-	13,321
Compensated absences	(2,117)	-	(2,117)
TOTAL ADJUSTMENTS	<u>2,427,336</u>	<u>430,129</u>	<u>2,857,465</u>
Net cash provided by (used for) operating activities	<u>(665,675)</u>	<u>776,398</u>	<u>110,723</u>
Cash flows from noncapital financing activities:			
Ad valorem taxes	476,267	-	476,267
Hotel/motel taxes	322,825	-	322,825
Cable television franchise fees	684,562	-	684,562
Operating transfer in	-	-	-
Net cash provided by noncapital financing activities	<u>1,483,654</u>	<u>-</u>	<u>1,483,654</u>
Cash flows from capital and related financing activities:			
Principal payments - mortgage payable	(1,966)	-	(1,966)
Interest payments	(8,855)	-	(8,855)
Acquisition of property, plant, and equipment	(456,210)	-	(456,210)
Net cash used by capital and related financing activities	<u>(467,031)</u>	<u>-</u>	<u>(467,031)</u>

(Continued)

CITY OF KENNER, LOUISIANA  
 COMBINED STATEMENT OF CASH FLOWS - PROPRIETARY FUND TYPES (CONTINUED)  
 Year Ended June 30, 2000

	ENTERPRISE	INTERNAL SERVICE	TOTAL (MEMORANDUM ONLY)
Cash flows from investing activities:			
Purchases of investments	\$ (825,558)	\$ (16,833,235)	\$ (17,658,793)
Proceeds from maturities of investments	-	15,899,592	15,899,592
Interest received	66,287	222,094	288,381
Net cash provided by (used for) investing activities	(759,271)	(711,549)	(1,470,820)
Net increase (decrease) in cash and cash equivalents	(408,323)	64,849	(343,474)
Cash and cash equivalents, beginning of year	1,291,417	721,076	2,012,493
Cash and cash equivalents, end of year	<u>\$ 883,094</u>	<u>\$ 785,925</u>	<u>\$ 1,669,019</u>
RECONCILIATION TO BALANCE SHEET ACCOUNTS:			
Cash	\$ 454,681	785,925	\$ 1,240,606
Equity in pooled cash and investments	428,413	-	428,413
Cash and cash equivalents, end of year	<u>\$ 883,094</u>	<u>\$ 785,925</u>	<u>\$ 1,669,019</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:			
Contributions of capital	\$ -	\$ -	\$ -
Acquisitions of property, plant, and equipment through capital contributions	-	-	-
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

(THIS PAGE LEFT BLANK INTENTIONALLY)

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS  
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

City of Kenner, Louisiana's (the "City") system of government is established by its Home Rule Charter which became effective in 1974. The City operates under a mayor-council form of government. The financial statements of City of Kenner, Louisiana have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting policies are described below.

1. REPORTING ENTITY

Under Governmental Accounting Standards Board (GASB) Statement No. 14, the financial statements of the reporting entity present the primary government (the "City") and its component units. Component units are defined as legally separate organizations for which the elected officials of the primary government (the City) are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Component units are included in the City's reporting entity either as a blended component unit or as a discretely presented component unit because of the significance of its operational or financial relationship with the City.

The Firemen's Pension and Relief Fund is a legally separate entity from the City. It is governed by a five member Board of Trustees of which three of these members include the City's Mayor and two members of the City's Council. For financial reporting purposes, the Firemen's Pension and Relief Fund is reported as if it were a part of the City's operations (blended) because its purpose is to finance and provide a retirement system for the fire department employees of the City and because its exclusion would render the financial statements incomplete or misleading.

The Police Chief is an elected official elected by the citizenry in a general, popular election. The City Council approves the annual budget for the Police Department and dedicates portions of the City's revenues to fund this department. The Police Department is not legally separate, and therefore is a function of the primary government and its operations are reported as a part of the City's General Fund.

2. FUND ACCOUNTING

The City uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all activities of the general government not accounted for in some other fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful for sound financial administration. Goods or services from such activities can be provided either for outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the government. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund or an expendable trust fund is used. The terms "nonexpendable" and "expendable" refer to whether or not the government is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the government holds on behalf of others as their agent.

3. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds and pension trust funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total assets) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

The modified accrual basis of accounting is used by all governmental fund types and agency funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers ad valorem (property) taxes as available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues susceptible to accrual are property taxes, franchise taxes, beer taxes, parking taxes and certain state shared revenues such as tobacco taxes, parish transportation funds, and video poker monies. Sales taxes collected and held by intermediary collecting governments at year-end on behalf of the City government also are recognized as revenue. Fines and permits are not susceptible to accrual because generally they are not measurable until received in cash. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

The accrual basis of accounting is utilized by proprietary fund types and pension trust funds. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

In accordance with Statement No. 20 of the Governmental Accounting Standards Board (GASB), *"Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting"*, it is the policy of the City's proprietary funds to apply all applicable GASB pronouncements as well as all Financial Accounting Standards Board Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on Accounting Procedures issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

The City reports deferred revenue on its combined balance sheet. Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the City before it has a legal claim to them, as when grant monies are received prior to the occurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the City has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

4. BUDGETARY ACCOUNTING

Formal budgetary accounting is employed as a management control device and budgets are legally adopted at the fund level, except for the General Fund for which appropriations are adopted at the department level. Budgets are included for the following funds:

General Fund

Special Revenue Funds

- One Percent Sales Tax of 1984
- Community Development Block Grant
- Garbage Collection and Disposal
- Roads and Bridges
- Street Lighting
- Fire Department

Debt Service Funds

- General Debt
- Ad Valorem Tax Bonds
- Firemen's Pension Merger Fund

Enterprise Funds

- Department of Wastewater Operations
- Civic Center Operations

Budgetary data for the Capital Project Funds are not presented since these funds are budgeted over the life of the respective project and not on an annual basis. Budgetary accounting is not used for the Internal Service Funds (Self Insurance and Health Insurance Funds) because management considers effective budgetary control achieved since their amounts, which are charged back to other funds, are included as expenditures in each Fund's budget.

Expenditures may not exceed budgeted appropriations at the fund level, except for the General Fund which is at the departmental level. Appropriations lapse at year-end. Furthermore, appropriations which are not expended nor encumbered are dedicated to capital outlay for that department and are rebudgeted in the following year.

Budgets for the General, Special Revenue (except Drug Enforcement Forfeiture Fund, Local Law Enforcement Grant Fund, Emergency Shelter Grant Fund, and LCLE After School Drug Fund), Debt Service Funds, and Proprietary Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), except that encumbrances are treated as budgeted expenditures in the year of incurrence of the commitment to purchase.



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Legally adopted budgets for four special revenue funds (Drug Enforcement Forfeiture Fund, Local Law Enforcement Grant Fund, Emergency Shelter Grand Fund, and LCLE After School Drug Fund) are not presented due to the uncertainty of revenues, if any, to be received from year to year.

5. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary accounting in the General Fund, Special Revenue Funds, and Enterprise Funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and do not constitute expenditures nor liabilities because the commitments will be honored during the subsequent fiscal year.

6. CASH, INVESTMENTS AND POOLED ASSETS

The City maintains three cash and investment pools as follows:

- a. General Pool - maintains cash balances for all funds except the paving assessments, sewerage assessments, and the Pension Trust Fund.
- b. Paving Assessments Pool - maintains cash balances for the General Fund and Debt Service Fund.
- c. Sewerage Assessments Pool - maintains cash balances for the General Fund and Debt Service Fund.

The City follows the practice of pooling cash and investments of all funds except for restricted funds due to Trust Agreements and Bond Indenture Agreements, and the City's component unit, the Firemen's Pension and Relief Fund. Total cash, investments, and accrued interest on investments of the Pool are reported in all funds as "Equity in Pooled Cash and Investments". Funds with a negative Equity in Pooled Cash and Investments report the advance as an interfund payable and the General Fund, which has been determined to be the receivable fund by management, reports an offsetting interfund receivable. Interest earned on pooled cash and investments is allocated to each individual fund based on its month end "Equity in Pooled Cash and Investments".

The entire cash balances in the General Pool Cash account, the Capital Projects Funded with Bond Proceeds and the Enterprise Funds are swept and invested into overnight repurchase agreements earning Federal Funds rate less 150 basis points. The market value of the underlying security in the repurchase agreement transaction is at least 105% of the carrying amount of repurchase agreement. Interest is allocated among funds in the General Pool Cash account on the basis of ending monthly cash balances. The balances not needed for transactions in the other accounts are deposited in individual money market funds earning interest at market rates; no checks can be written on these accounts.

Cash reported on the Combined Balance Sheet includes amounts in demand deposits, certificates of deposit, and short-term investments with a maturity date within three months of the date purchased.

State Law R.S. 39:1225 provides that the amount of the security shall at all times be equal to 100% of the amount on deposit to the credit of each depositing authority, except that portion of the deposits insured by any governmental agency insuring bank deposits, which is organized under the laws of the United States.

State Law R.S. 33:2955 allows the investment in U.S. bonds, treasury notes, certificates or other obligations of the United States of America, which may include certificates or other evidences of an ownership interest in such obligations, which may consist of specified portions of interest thereon, or time certificates of deposit of state banks organized under the laws of Louisiana and national banks having the principal office in the State of Louisiana, or any other federally insured investment.

In accordance with the provisions of Governmental Accounting Standards Board Statement No. 31, *"Accounting and Financial Reporting for Certain Investments and for External Investment Pools"*, all investments are reported at fair value with gains and losses included in the statement of revenue and expenses.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

For purposes of the statement of cash flows of the Proprietary Funds, cash and cash equivalents includes the following items: demand deposits, petty cash, certificates of deposit, "equity in pooled cash and investments" and short-term investments with a maturity of three months or less.

7. SHORT-TERM INTERFUND RECEIVABLES/PAYABLES

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" on the balance sheet.

8. INVENTORIES

The costs of materials and supplies acquired by the governmental funds are recorded as expenditures at the time of purchase. The inventory of such materials and supplies at June 30, 2000, would not be material to the financial statements. However, the inventory of parts for vehicle maintenance, which is accounted for under the consumption method, is considered to be material and is recorded in the General Fund at cost, determined by the first-in, first-out method.

9. PREPAID ITEMS

Payments made to vendors for services that will benefit periods beyond June 30, 2000 are recorded as prepaid items.

10. FIXED ASSETS

GENERAL FIXED ASSETS

Fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital asset acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are capitalized as general fixed assets.

Assets in the general fixed assets account group are not depreciated.

PROPRIETARY FUND ASSETS

Depreciation of property, plant and equipment in the proprietary fund types is computed using the straight-line method with estimated useful lives as noted in Note F.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Interest is capitalized on proprietary fund assets acquired with tax-exempt debt. The amount of interest to be capitalized is calculated by offsetting interest expense incurred from the date of the borrowing until completion of the project with interest earned on invested proceeds over the same period.



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

11. COMPENSATED ABSENCES

Vacation (annual leave) and sick pay (sick leave) are accrued when earned in the Proprietary Funds. Such amounts are not accrued in the governmental funds, as the amount left unpaid at the end of the fiscal period *would not be liquidated with expendable available financial resources*. Accumulated annual leave and vested sick leave as of the end of the fiscal year is valued using employees' current rates of pay and the total is included in the General Long-Term Debt Account Group, which represents the City's commitment to fund such costs from future operations.

In Proprietary Fund types, annual and sick leave are expensed when earned by the employee. A liability is recorded for accumulated annual leave and vested sick leave as of the end of the fiscal year using employees' *current rates of pay*.

In accordance with Statement No. 16 of the Governmental Accounting Standards Board, "*Accounting for Compensated Absences*", an additional liability is recorded for salary related payments associated with the future payment of compensated absences.

12. LONG-TERM OBLIGATIONS

Long-term debt expected to be financed from governmental funds is accounted for in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

13. FUND EQUITY

Contributed capital is recorded in proprietary funds that have received capital grants or contributions from developers, customers or other funds. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. *Designated fund balances represent tentative plans for future use of financial resources.*

14. INTERFUND TRANSACTIONS

Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as *expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.*

All other interfund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

15. TOTAL COLUMNS ON COMBINED STATEMENTS

Total columns on the combined statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns does not present financial position and results of operations in conformity with generally accepted accounting principles. Interfund eliminations have not been made in the aggregation of this data.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

BUDGET

The procedures used by the City in establishing the budgetary data reflected in the financial statements are as follows:

- a. Not less than 60 days before the end of the fiscal year, the Mayor recommends to the City Council a proposed operating budget for the ensuing fiscal year. The budget is prepared by fund, department (for the General Fund), function, and object, and includes information on the past year, current year estimates, and requested appropriations for the ensuing fiscal year.
- b. The proposed budget is summarized and advertised and, within 30 days thereafter, public hearings are conducted to obtain taxpayer comments.
- c. The operating budget is then legally adopted through council ordinance prior to June 1.
- d. The Mayor is authorized to transfer budgeted amounts within funds, except for the General Fund which is at the departmental level; however, any revisions that alter the total expenditures of a fund or department in the case of the General Fund must be approved by the City Council. A reconciliation of the originally adopted budget to the Revised Budget (including supplemental appropriations through June 30) is presented below:

	<u>ORIGINAL</u>	<u>REVISED</u>	<u>INCREASE (DECREASE)</u>
<u>General Fund</u>			
Revenues and other financing sources	\$ 40,007,849	\$ 39,551,152	\$ (456,697)
Expenditures and other financing uses	<u>40,007,849</u>	<u>46,530,453</u>	<u>6,522,604</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ (6,979,301)</u>	<u>\$ (6,979,301)</u>
<u>Special Revenue Funds</u>			
Revenues and other financing sources	\$ 21,589,805	\$ 22,999,420	\$ 1,409,615
Expenditures and other financing uses	<u>23,396,511</u>	<u>24,806,126</u>	<u>1,409,615</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,806,706)</u>	<u>\$ (1,806,706)</u>	<u>\$ -</u>
<u>Debt Service Funds</u>			
Revenues and other financing sources	\$ 6,453,871	\$ 6,453,871	\$ -
Expenditures and other financing uses	<u>6,376,191</u>	<u>6,376,191</u>	<u>-</u>
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 77,680</u>	<u>\$ 77,680</u>	<u>\$ -</u>

The sources for these supplemental appropriations include the prior year's fund balances and current year federal grants.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The accompanying Combined Statement of Revenues, Expenditures, and Changes in Fund Balances - Actual and Budget (Budgetary Basis) - General, Special Revenue, and Debt Service Fund Types presents comparisons of the legally adopted budget, with actual data on the budgetary basis. Since accounting principles applied for purposes of developing data on a budgetary basis differs from those used to present financial statements in conformity with generally accepted accounting principles (GAAP), a reconciliation of the resulting basis and timing differences in excess of revenues and other financing sources over expenditures and other financing uses for the year ended June 30, 2000, is presented below:

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis)	\$ 2,683,748	\$ (480,596)	\$ (89,176)
Adjustments:			
Timing differences:			
To adjust for encumbrances	<u>(5,796,348)</u>	<u>(316,576)</u>	<u>-</u>
	(3,112,600)	(797,172)	(89,176)
Entity differences:			
To adjust for funds not budgeted	<u>-</u>	<u>127,908</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis)	<u>\$(3,112,600)</u>	<u>\$ (669,264)</u>	<u>\$ (89,176)</u>

EXPENDITURES IN EXCESS OF APPROPRIATIONS

The following fund had expenditures in excess of appropriations for the year ended June 30, 2000.

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Excess</u>
Enterprise Fund			
Civic Center Operations	<u>\$ 1,788,144</u>	<u>\$ 1,784,660</u>	<u>\$ (3,484)</u>

Expenditures exceeded appropriations in the Civic Center Operations Fund. However, the net operating loss is the budgeted amount approved for the Civic Center operations. Although expenditures exceeded appropriations, the net operating loss did not exceed the budgeted net operating loss due to actual revenues exceeding budgeted amounts.

Budgetary control is maintained at the department level for the General Fund. Certain sections within departments of the General Fund reported expenditures in excess of appropriations. However, since no department's expenditures exceed appropriations further disclosure of these sections is not deemed necessary.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE B - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

DEFICIT FUND BALANCES/RETAINED EARNINGS

The following funds had deficits in fund balance/retained earnings at June 30, 2000:

DEFICIT IN FUND BALANCE/RETAINED EARNINGS

Enterprise Funds	
Department of Wastewater Operations	\$ 17,003,517
Civic Center Operations	<u>2,497,803</u>
	<u>\$ 19,501,320</u>

The deficits in the Enterprise Funds are a result of depreciation expense.

NOTE C - DEPOSITS AND INVESTMENTS

At year-end, the carrying amount of the City's deposits was \$8,375,551 and the bank balance was \$11,066,843. The bank balance is categorized as follows:

Amount insured by the FDIC, or collateralized with securities held by the City's agent in the City's name.	<u>\$ 11,066,843</u>
--	----------------------

The City's investments at year-end are categorized below to give an indication of the level of risk assumed by the City at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the City or its agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured or unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name.

	<u>CATEGORY</u>			<u>FAIR VALUE</u>
	<u>1</u>	<u>2</u>	<u>3</u>	
U. S. Government securities	\$ 437,084	\$ -	\$ -	\$ 437,084
U. S. Instrumentality securities (FNMA, FHLB, etc.)	26,577,497	-	-	26,577,497
Stocks	<u>483,050</u>	<u>-</u>	<u>-</u>	<u>483,050</u>
	<u>\$ 27,497,631</u>	<u>\$ -</u>	<u>\$ -</u>	
Mutual funds				<u>2,676,866</u>
Total Investments				<u>\$ 30,174,497</u>

The mutual funds are owned by the Firemen's Pension and Relief Fund and Debt Service Funds. The stocks are owned by the Firemen's Pension and Relief Fund.



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE D - EQUITY IN POOLED CASH AND INVESTMENTS

A reconciliation of total equity in pooled cash and investments is presented below.

<u>Equity in Pooled Cash and Investments</u>	<u>GENERAL POOL</u>	<u>PAVING ASSESSMENTS POOL</u>	<u>SEWERAGE ASSESSMENTS POOL</u>	<u>TOTALS</u>
Cash (Bank Overdraft)	\$ (2,517,225)	\$ 885,185	\$ 5,010	\$ (1,627,030)
Repurchase Agreement	<u>6,480,251</u>	<u>-</u>	<u>-</u>	<u>6,480,251</u>
Total Equity in Pooled Cash and Investments	<u>\$ 3,963,026</u>	<u>\$ 885,185</u>	<u>\$ 5,010</u>	<u>\$ 4,853,221</u>
<u>Equity in Pool By Fund Type</u>				
General	\$ 1,289,088	\$ 885,185	\$ 5,010	\$ 2,179,283
Special Revenue	15,872	-	-	15,872
Debt Service	39,165	-	-	39,165
Capital Projects	2,190,487	-	-	2,190,487
Enterprise	428,413	-	-	428,413
Trust and Agency	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>
Total Equity in Pool	<u>\$ 3,963,026</u>	<u>\$ 885,185</u>	<u>\$ 5,010</u>	<u>\$ 4,853,221</u>

The amount which is shown as a bank overdraft represents outstanding checks for which the bank has invested in a repurchase agreement. The repurchase agreement and the amount shown as bank overdraft are held in the same bank account, therefore, there is no actual bank overdraft but rather excess funds invested in the repurchase agreement pursuant to an agreement held with the bank.

NOTE E - RECEIVABLES

Receivables at June 30, 2000 consist of the following (in thousands of dollars):

	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>	<u>CAPITAL PROJECTS</u>	<u>ENTERPRISE</u>	<u>INTERNAL SERVICE</u>	<u>FIDUCIARY</u>	<u>TOTAL</u>
Receivables:								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,395	\$ 1,395
Accounts	3,810	-	-	-	-	-	-	3,810
Intergovernmental	3,133	2,319	667	1,071	81	-	301	7,572
Special assessments- delinquent	636	-	-	-	-	-	-	636
Interest	-	-	9	-	-	-	7	16
Other	<u>-</u>	<u>630</u>	<u>-</u>	<u>-</u>	<u>1,561</u>	<u>-</u>	<u>-</u>	<u>2,191</u>
	7,579	2,949	676	1,071	1,642	-	1,703	15,620
Gross receivables								
Less: allowance for estimated uncol- lectibles	<u>609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>65</u>	<u>-</u>	<u>43</u>	<u>717</u>
Net total receivables	<u>\$ 6,970</u>	<u>\$ 2,949</u>	<u>\$ 676</u>	<u>\$ 1,071</u>	<u>\$ 1,577</u>	<u>\$ -</u>	<u>\$ 1,660</u>	<u>\$14,903</u>

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE E - RECEIVABLES (CONTINUED)

An allowance for estimated uncollectible receivables is established based on historical collection experience and other relevant circumstances. The allowance for estimated uncollectibles at June 30, 2000, consists of the following amounts:

General Fund	<u>\$ 609,233</u>
Enterprise Funds	
Department of Wastewater Operations	<u>\$ 65,231</u>
Fiduciary Funds	
Ad Valorem Tax Collection	<u>\$ 43,175</u>

NOTE F - FIXED ASSETS

The following is a summary of changes in the general fixed assets account group during the fiscal year:

	<u>BALANCE JULY 1, 1999</u>	<u>ADDITIONS</u>	<u>RETIREMENT</u>	<u>COMPLETED CONSTRUCTION</u>	<u>TRANSFERS (TO) FROM OTHER FUNDS</u>	<u>BALANCE JUNE 30, 2000</u>
Land	\$ 11,847,232	\$ 391,469	\$ -	\$ -	\$ (448,388)	\$ 11,790,313
Buildings	15,077,894	1,745,872	-	-	(733,004)	16,090,762
Improvements other than buildings	37,618,498	164,979	-	-	139,280	37,922,757
Furniture, fixtures and equipment	14,203,177	1,319,430	-	-	(2,435,287)	13,087,320
Vehicles	10,910,719	1,357,964	-	-	169,248	12,437,931
Construction in progress	<u>8,018,938</u>	<u>3,263,098</u>	<u>-</u>	<u>(1,846,380)</u>	<u>-</u>	<u>9,435,656</u>
Total general fixed assets	<u>\$ 97,676,458</u>	<u>\$ 8,242,812</u>	<u>\$ -</u>	<u>\$(1,846,380)</u>	<u>\$(3,308,151)</u>	<u>\$100,764,739</u>



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE F - FIXED ASSETS (CONTINUED)

Construction in progress is comprised of the following:

	PROJECT/CONTRACT AUTHORIZATION JUNE 30, 2000	EXPENDED TO JUNE 30, 2000	COMMITTED	REQUIRED FUTURE FINANCING
Public Safety:				
Police Headquarters and Jail	\$10,976,414	\$ 5,118,418	\$ 5,857,996	\$ 5,857,996
CAD and Records Management System	<u>391,510</u>	<u>327,909</u>	<u>63,601</u>	<u>63,601</u>
TOTAL PUBLIC SAFETY	<u>\$11,367,924</u>	<u>\$ 5,446,327</u>	<u>\$ 5,921,597</u>	<u>\$ 5,921,597</u>
Public Works:				
Brake Tag Station	\$ 282,863	\$ 258,494	\$ 24,369	\$ 24,369
South Kenner Drainage	657,024	354,984	302,040	302,040
Loyola Drive Project Phase II	3,397,407	1,982,674	1,414,733	1,414,733
Drainage Master Plan	387,875	341,375	46,500	46,500
Vintage Drive Improvements	200,895	200,895	-	-
Aberdeen Street Improvements	<u>19,440</u>	<u>19,440</u>	<u>-</u>	<u>-</u>
TOTAL PUBLIC WORKS	<u>\$ 4,945,504</u>	<u>\$ 3,157,862</u>	<u>\$ 1,787,642</u>	<u>\$ 1,787,642</u>
Culture and Recreation:				
Linear Park, Phase II	\$ 61,831	\$ 25,509	\$ 36,322	\$ 36,322
Laketown	268,888	263,784	5,104	5,104
Barbe School	26,344	21,933	4,411	4,411
Planetarium	36,216	33,416	2,800	2,800
Susan Park Gym	1,141,400	80,354	1,061,046	1,061,046
Betsy Hammond Public Facility	9,890	9,200	690	690
Kennerville Rec. Facility-Rose Minor	10,074	10,074	-	-
Gym Improvements	<u>341,855</u>	<u>307,670</u>	<u>34,185</u>	<u>34,185</u>
TOTAL CULTURE AND RECREATION	<u>\$ 1,896,498</u>	<u>\$ 751,940</u>	<u>\$ 1,144,558</u>	<u>\$ 1,144,558</u>
Transit and Urban Development:				
Multipurpose Center	<u>\$ 84,206</u>	<u>\$ 79,527</u>	<u>\$ 4,679</u>	<u>\$ 4,679</u>
TOTAL TRANSIT AND URBAN DEVELOPMENT	<u>\$ 84,206</u>	<u>\$ 79,527</u>	<u>\$ 4,679</u>	<u>\$ 4,679</u>
TOTAL CONSTRUCTION IN PROGRESS	<u>\$18,294,132</u>	<u>\$ 9,435,656</u>	<u>\$ 8,858,476</u>	<u>\$ 8,858,476</u>

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE F - FIXED ASSETS (CONTINUED)

The following is a summary of proprietary fixed assets at June 30, 2000:

	ENTERPRISE FUNDS		
	DEPARTMENT OF WASTEWATER OPERATIONS	CIVIC CENTER OPERATIONS	TOTAL
Land and improvements	\$ 1,825,937	\$ 5,319,450	\$ 7,145,387
Building and improvements	74,948,900	16,470,931	41,419,831
Furniture and fixtures	151,167	3,096,671	3,247,838
Vehicles and field equipment	1,449,114	-	1,494,114
Construction in progress	-	50,183	50,183
Total	<u>78,375,118</u>	<u>24,937,235</u>	<u>103,312,353</u>
Less: accumulated depreciation	<u>27,630,205</u>	<u>4,748,474</u>	<u>32,378,679</u>
Net	<u>\$ 50,744,913</u>	<u>\$ 20,188,761</u>	<u>\$ 70,933,674</u>

The following estimated useful lives (in years) are used for computing depreciation and amortization:

	ENTERPRISE FUNDS	
	DEPARTMENT OF WASTEWATER OPERATIONS	CIVIC CENTER OPERATIONS
Buildings and improvements	10 - 15	20 - 50
Utility plants, stations and lines	50	-
Vehicles, machinery and equipment	5	5
Furniture and fixtures	10	10

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE G - LONG-TERM DEBT

BONDS AND CERTIFICATES

Long-term debt at June 30, 2000 includes the following serial bonds and certificates:

<u>DESCRIPTION</u>	<u>INTEREST RATES</u>	<u>FINAL MATURITY DATE</u>	<u>RANGE OF ANNUAL PRINCIPAL PAYMENTS</u>		<u>(IN THOUSANDS OF DOLLARS)</u>	
			<u>FROM</u>	<u>TO</u>	<u>AMOUNT ISSUED</u>	<u>AMOUNT OUT- STANDING</u>
General Obligation, Special Tax and Excess Revenue Bonds						
General Obligation Refunding Bonds, Series 1992	5.20 - 5.75	03-01-05	\$ 200,000	\$ 260,000	\$ 2,595	\$ 1,190
Sales Tax Refunding Bonds, Series 1992	5.20 - 6.125	06-01-12	\$1,445,000	\$ 2,945,000	36,580	26,510
Sales Tax Bonds, Series 1994	2.95	06-01-16	\$ 450,000	\$ 740,000	11,428	9,620
Sales Tax Bonds, Series 1995A	2.95	06-01-16	\$ 55,000	\$ 90,000	1,463	1,175
Excess Revenue Bonds, Series 1996A	4.88	01-01-01	\$ 690,000	\$ 760,000	3,450	760
Excess Revenue Bonds, Series 1996B	5.45	01-01-06	\$ 300,000	\$ 435,000	<u>3,450</u>	<u>2,285</u>
TOTAL BONDS AND CERTIFICATES					<u>\$58,966</u>	<u>\$41,540</u>

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE G – LONG-TERM DEBT (CONTINUED)

Additional information pertaining to the foregoing bonds and certificates is as follows:

GENERAL OBLIGATION, SPECIAL TAX AND EXCESS REVENUE BONDS

1. General Obligation Refunding Bonds

These bonds are secured by, and payable from ad valorem taxes collected in the Ad Valorem Tax Bonds Fund. At June 30, 2000, \$1,190,000 of such bonds were outstanding and \$220,821 was available in the Debt Service Funds.

2. Sales Tax Bonds

The Sales Tax Refunding Bonds, Series 1992 and the Sales Tax Bonds, Series 1994 and 1995A are all obligations of the City. These bonds are secured by, and payable from the City's allocation of the proceeds of sales taxes collected pursuant to Louisiana Legislative Acts 188 of 1954 and 29 of 1966 collected and remitted by the Parish of Jefferson. At June 30, 2000, bonds outstanding were \$26,510,000, \$9,620,000 and \$1,175,000, respectively. The amount available in the Debt Service Funds was \$5,037,165.

The amounts outstanding for the Sales Tax Bonds, Series 1994 and 1995A represent the unpaid amounts drawn down as of June 30, 2000 through loans obtained from the Louisiana Department of Environmental Quality. These loans are secured by the Sales Tax Bonds, Series 1994 and 1995A.

The City has developed a Wastewater Compliance Plan as a result of an EPA Administrative Order to perform those tasks necessary for its three wastewater treatment plants to comply with the effluent limitations of their discharge permits. In July 1994, the City obtained approval for a loan in the amount of \$11,430,000 from the Louisiana Department of Environmental Quality (LDEQ), of which \$11,427,803 was actually received. The loan will be repaid over a period of twenty years commencing with the completion of the project. Interest payments and an administrative fee is payable semi-annually at a rate of 2.45% and .50%, respectively, based on the total amounts drawn on the loan. At June 30, 2000, the loan had an outstanding balance of \$9,620,000. Total interest and administrative fees paid during the year ended June 30, 2000 were \$247,083 and \$50,425, respectively.

Due to the shortage of funding, in April 1995 the City obtained approval for a second Louisiana Department of Environmental Quality loan in the amount of \$3,395,000, of which \$1,462,875 was actually received. The loan will be repaid over a period of twenty years commencing with the completion of the project. The characteristics of this second loan are similar to those noted on the first loan above. At June 30, 2000, the loan had an outstanding balance of \$1,175,000. Total interest and administrative fees paid during the year ended June 30, 2000 were \$30,135 and \$6,150, respectively.

The funding necessary to service these loans was obtained from the dedication of the 1954 (1/2 cent) and 1966 (1/2 cent) sales tax revenues.

3. Excess Revenue Bonds

Certificates of Indebtedness Series 1996A and 1996B are to be used for various capital projects. These certificates are collateralized by a pledge of the excess revenues from the General Fund. At June 30, 2000, bonds outstanding were \$760,000 and \$2,285,000, respectively. The amount available in the Debt Service Funds was \$1,542,592.



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE G - LONG-TERM DEBT (CONTINUED)

NOTES PAYABLE

In December 1992, City of Kenner issued a long-term note for \$700,000. The proceeds were to be loaned in accordance with the HUD Section 108 Loan Guarantee program. The loan did not materialize, therefore, the proceeds have been invested to finance the payment of the note payable. The investment is accounted for in the Community Development Block Grant Special Revenue Fund. The long term note is payable over a period of 6 years with interest payable semi-annually at a rate of 6.83%. At June 30, 2000, the note payable was paid off.

FIREMEN'S PENSION MERGER PAYABLE

In March 1998, the required three-fourths vote of the active and inactive members approved the merger with the Statewide Firefighters Retirement System ("SFRS"). Approval of the merger was received from the SFRS and the Joint Retirement Committee. The City Council approved the merger in December 1998 and signed an agreement with SFRS on March 25, 1999 regarding the payment of the merger liability. The final merger liability as of March 27, 1999 was \$14,050,233, which represents 60% of the accrued liability for active employees (\$6,301,446) and 100% of the accrued liability for retired employees (\$7,748,787). The Fund transferred assets in the amount of \$11,130,143 to the SFRS to pay the merger liability. The value of the transferred assets for purposes of the merger as discounted from the date of receipt to the merger date of March 27, 1999, at the system's actuarial valuation interest rate of 7% was \$11,089,495. The remaining liability of \$2,960,738 plus interest at the rate of 7% per annum was assumed by the City of Kenner to be paid over 30 years.

This payable is accounted for in the General Long-Term Debt Account Group. At June 30, 2000, \$33,866 was available in the Firemen's Pension Merger Fund (Debt Service Fund). The City has split the liability to be amortized into two components as follows:

\$1,190,000 of the liability is payable monthly at a rate of 7%. The monthly payments including interest are \$7,917. At June 30, 2000, the merger payable for this component had a total outstanding balance of \$1,174,756.

\$1,770,738 of the liability is payable annually at a rate of 7%. The annual payments including interest are \$142,697. At June 30, 2000, the merger payable for this component had a total outstanding balance of \$1,751,992.

The funding necessary to service this merger payable was obtained from the dedication of the fire insurance tax received from the State of Louisiana and the reduction in the City's contribution rate under the Statewide Plan.

MORTGAGE PAYABLE

In June 1978, City of Kenner obtained a loan in the amount of \$40,000 at an interest rate of 9.75% for the purchase of land and an existing building. This loan is accounted for in the Wastewater Operations Enterprise Fund. At June 30, 2000, the mortgage payable had an outstanding balance of \$21,547.

GENERAL DEBT

Capital Lease Obligations

The City has capital lease obligations on various facilities and equipment. See Note Q - Lease Commitments - General.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE G - LONG-TERM DEBT (CONTINUED)

Compensated Absences

General

All employees, except police and fire employees, earn sick leave at the following rates:

Full time employees:	1 day/month not to exceed 12 days/year
Regular part time employees:	1/2 day/month not to exceed 6 days/year

Employees earn annual leave in varying amounts according to years of service as follows:

<u>Service</u>	<u>Amount</u>
Full time employees:	
0 - 5	1 day/month
5 - 10	1 1/2 day/month
over 10	2 days/month
Regular part time employees:	
0 - 5	1/2 day/month
5 - 10	3/4 day/month
over 10	1 day/month

Employees are required to use their annual leave during the calendar year following the year in which it is earned. Annual leave not used by December 31 of the calendar year is determined for each employee. Half of this leave is lost and half is carried forward to be paid upon separation of service. This carryforward time is not available to be taken as annual leave in future periods. Annual leave is payable upon separation of service. Sick leave is accumulated without time limitation and is payable up to a maximum of 90 days upon retirement or death.

In accordance with Statement No. 16 of the Governmental Accounting Standards Board, "Accounting for Compensated Absences", an additional liability is recorded for salary related payments associated with the future payment of compensated absences. Such salary related payments consist of the City's portion of Medicare tax withholding.

Fire Department

Firefighters receive 18 days of annual leave after one year of service. After 10 years of service employees receive one additional day of annual leave for each additional year of service to a maximum of 30 days per year. Vacation time not used by December 31 is lost.

Firefighters receive 90 days of sick leave when they join the Department. Any sick time taken is applied against this accumulation. At retirement, the employee is paid for any unused sick leave up to a maximum of 90 days. Employees receive 365 days of sick leave with medical determination.

Police Department

Police personnel earn annual leave in varying amounts according to years of service as follows:

<u>Years Service</u>	<u>Civil Service Amount</u>	<u>Non-Civil Service Amount</u>
0 - 1 Year	- 0 -	- 0 -
1 - 10 Years	120 Hours	105 Hours
10 - 20 Years	160 Hours	140 Hours
Over 20 Years	200 Hours	175 Hours



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE G - LONG-TERM DEBT (CONTINUED)

These hours are accrued on January 1st, and are for use only in the calendar year. Hours not taken by December 31st are lost. If an employee terminates employment, they are paid for the annual leave they have remaining on the books.

Police personnel earn sick leave at the following rates:

Full time employees:	1 day/month not to exceed 10 days/year
Regular part time employees:	1/2 day/month not to exceed 5 days/year

Upon retirement, employees are entitled to receive pay for accrued, unused sick leave days up to a maximum of 90 days.

CHANGES IN LONG-TERM DEBT

During the year-ended June 30, 2000, the following changes occurred in liabilities reported in the general long-term debt account group (in thousands of dollars):

	<u>BONDS AND CERTIFICATES</u>		<u>OTHER</u>		
	<u>GENERAL OBLIGATION SPECIAL TAX &amp; EXCESS REVENUE</u>	<u>SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT</u>	<u>NOTES</u>	<u>GENERAL DEBT</u>	<u>TOTAL</u>
Balance at July 1, 1999					
Bonds and certificates	\$44,821	\$ 29	\$ -	\$ -	\$ 44,850
Compensated absences	-	-	-	1,940	1,940
Capital lease obligations	-	-	-	573	573
Note payable	-	-	3,082	-	3,082
	<u>44,821</u>	<u>29</u>	<u>3,082</u>	<u>2,513</u>	<u>50,445</u>
 Bonds and certificates retired	 (3,281)	 (29)	 -	 -	 (3,310)
Additional compensated absences	-	-	-	132	132
 Payments made on:					
Capital lease obligation	-	-	-	(63)	(63)
Note payable	-	-	(155)	-	(155)
Balance at June 30, 2000	<u>\$41,540</u>	<u>\$ -</u>	<u>\$2,927</u>	<u>\$ 2,582</u>	<u>\$ 47,049</u>

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE G - LONG-TERM DEBT (CONTINUED)

Annual debt service to maturity, including interest of \$18,593,356, is as follows:

(IN THOUSANDS OF DOLLARS)							
YEAR-ENDING JUNE 30,	BONDS AND CERTIFICATES				OTHER		TOTAL
	GENERAL OBLIGATION	SALES TAX	EXCESS REVENUE	SPECIAL ASSESSMENT DEBT WITH GOVERNMENTAL COMMITMENT	NOTES	ENTERPRISE FUNDS MORTGAGE AND NOTES	
2001	\$ 283	\$ 3,987	\$ 1,252	\$ -	\$ 238	\$ 4	\$ 5,764
2002	281	3,988	457	-	238	4	4,968
2003	283	3,982	457	-	238	4	4,964
2004	279	3,983	457	-	238	4	4,961
2005	275	3,987	456	-	238	4	4,960
2006-2010	-	19,926	459	-	1,188	12	21,585
2011-2015	-	10,532	-	-	1,188	-	11,720
2016-2020	-	854	-	-	1,188	-	2,042
2021-2025	-	-	-	-	1,188	-	1,188
2026-2029	-	-	-	-	927	-	927
	<u>\$ 1,401</u>	<u>\$ 51,239</u>	<u>\$ 3,538</u>	<u>\$ -</u>	<u>\$6,869</u>	<u>\$ 32</u>	<u>\$ 63,079</u>

COMPLIANCE

There are a number of limitations and restrictions contained in the various bond indentures. The City is in compliance with all significant limitations and restrictions.

ADVANCE REFUNDING

In a prior year, the City defeased certain special tax bonds by placing the proceeds of the new bond into irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liabilities for the defeased bond are not included in the City's financial statements. Debt outstanding at June 30, 2000 relating to these prior year defeasances is as follows:

Special Tax Bond	
Special Sales Tax Revenue Refunding Bonds Series 1988	<u>\$ 4,005,000</u>

NOTE H - RESERVATIONS AND DESIGNATIONS OF FUND BALANCE

The nature and purpose of the reserves and designations are as follows:

Reserved for Encumbrances

This reserve was established for outstanding purchase orders and other commitments for unperformed contracts for goods and services which the City intends to honor.

Reserved for Inventory

This reserve was established as an offset against the asset, inventory, because it does not constitute an available spendable resource of the General Fund.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE H - RESERVATIONS AND DESIGNATIONS OF FUND BALANCE (CONTINUED)

Reserved for Prepaid Items

This reserve was established as an offset against the asset, prepaid items, because it does not constitute an available spendable resource of the General Fund.

Reserved for Restricted Expenditures

This reserve was created to restrict the use of all resources remaining in the Special Assessment Funds included in the General Fund. The restriction is mandated by the terms of the bond indentures in that the amounts on hand are to be used only for similar projects in the assessment area. Also included in this reserve are monies which are restricted for law enforcement purposes.

Reserve for Capital Expenditures

This reserve represents the amount of unexpended and unencumbered funds remaining in a departmental budget dedicated for capital expenditures in the next fiscal year. This restriction was dedicated by ordinance. The reserve also includes Video Poker Revenues which are dedicated to Capital Expenditures.

Reserved for Debt Service

This reserve represents the amounts reserved for payment of principal and interest maturing in future years.

Fund Balance Reserved for Employees' Pension Benefits

This reserve was created to restrict the use of all resources contributed to or earned by the Firemen's Pension and Relief Fund. This amount is required to be fully reserved under the Plan.

Designated for Subsequent Years' Expenditures

This designation represents the expenditures budgeted in 2000-2001, paid from funds remaining in 1999-2000.

Designated for Capital Additions and Improvements

The proceeds of various bond issues and the interest earned on the investment thereof are designated for capital projects in the various capital projects funds to the extent that such amount has not been reserved for encumbrances.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE I - INTERFUND TRANSACTIONS

Interfund Assets/Liabilities

Individual fund interfund receivables and payables at June 30, 2000 are as follows:

<u>FUND</u>	<u>RECEIVABLE FUND</u>	<u>PAYABLE FUND</u>
General	<u>\$ 4,200,564</u>	<u>\$ 561,592</u>
Special Revenue		
One Percent Sales Tax of 1984	349,602	2,222,643
Community Development Block Grant	23,193	80,030
Garbage Collection and Disposal	208,023	487,362
Roads and Bridges	429,250	346,451
Street Lighting	96,211	3,151
Fire Department	811,231	659,338
Other Grant Funds	-	6,603
	<u>1,917,510</u>	<u>3,805,578</u>
Debt Service		
General Debt	10,813	-
Ad Valorem Tax Bonds	108,520	-
	<u>119,333</u>	<u>-</u>
Capital Projects		
General Capital Projects	95,726	202,925
Capital Projects Funded With Bond Proceeds	-	12,943
	<u>95,726</u>	<u>215,868</u>
Enterprise		
Department of Wastewater Operations	<u>131,755</u>	<u>299,464</u>
Internal Service		
Health Insurance	<u>-</u>	<u>4,344</u>
Fiduciary		
Ad Valorem Tax Collection	-	1,477,843
Airport Sales Tax	<u>-</u>	<u>100,199</u>
	<u>-</u>	<u>1,578,042</u>
 TOTAL	 <u>\$ 6,464,888</u>	 <u>\$ 6,464,888</u>

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE I - INTERFUND TRANSACTIONS (CONTINUED)

A summary of operating transfers by fund type for the year ended June 30, 2000 is as follows:

<u>FUND</u>	<u>TRANSFERS TO OR FROM</u>	<u>OPERATING TRANSFERS IN</u>	<u>OPERATING TRANSFERS OUT</u>
General Fund	Special Revenue Funds	\$ 7,249,210	\$ 592,813
	Capital Projects Funds	288,076	7,006,768
		<u>7,537,286</u>	<u>7,599,581</u>
Special Revenue Funds	General Fund	592,813	7,249,210
	Special Revenue Funds	3,480,204	3,480,204
	Debt Service Funds	-	129,269
	Capital Projects Fund	42,699	-
		<u>4,115,716</u>	<u>10,858,683</u>
Debt Service Funds	Special Revenue Funds	129,269	-
	Capital Projects Funds	1,097,328	-
		<u>1,226,597</u>	<u>-</u>
Capital Projects Funds	General Fund	7,006,768	288,076
	Debt Service Funds	-	1,097,328
	Special Revenue Funds	-	42,699
		<u>7,006,768</u>	<u>1,428,103</u>
Total Operating Transfers		<u>\$ 19,886,367</u>	<u>\$ 19,886,367</u>

NOTE J - AD VALOREM TAX

The ad valorem tax on real property is levied as of November 15th of each year. The tax becomes an enforceable lien on the property on the first day of the month following the filing of the tax rolls by the Assessor with the Louisiana Tax Commission (usually December 1st). The tax bills are mailed by the City in early December and are due upon receipt. The taxes become delinquent on January 1st in the year after levy. The taxes are levied on property values determined by the Jefferson Parish Assessor's Office. All land and residential improvements are assessed at 10 percent of their fair market value and other property at 15 percent of its fair market value. Ad valorem taxes are levied (per \$1,000 assessed value) in varying amounts for maintenance and operation, debt service and capital improvements for the City. The number of mills levied for 2000 and 1999 are as follows:

<u>FUND</u>	<u>2000 MILLS</u>	<u>1999 MILLS</u>
General Fund	3.51	3.51
Garbage Collection and Disposal Fund	2.71	2.71
Fire Department Fund	12.42	12.42
Ad Valorem Tax Bonds Fund	1.13	1.13
Department of Wastewater Operations Fund	<u>1.93</u>	<u>1.93</u>
TOTAL	<u>21.70</u>	<u>21.70</u>



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE K - SALES TAX

A sales tax of 8.75% for the period of July 1, 1999 through June 30, 2000 was collected on purchases in the City of Kenner (food and drugs are taxed at a 6% rate, and hotel/motel rooms at a 9% rate). Of the 8.75% total, 4.0% is levied by the state, and 4.75% by Jefferson Parish, for itself and other local government subdivisions within the Parish. The following table for parish taxes lists the effective year of each authorized tax rate, the Parish-wide tax rate (which includes 1/6% retained by the Parish), the rate collected for the benefit of the Jefferson Parish School Board, and the rate collected for the benefit of the City of Kenner.

<u>Effective Date</u>	<u>Parish-Wide Rate</u>	<u>School Board Rate</u>	<u>City Rate</u>
1954	1%	1/2%	1/2%
1966	1%	1/2%	1/2%
1980	1/2%	1/2%	0%
1981	1/2%	0%	1/3%
1984	1%	0%	1%
1993	1/2%	1/2%	0%
1994	<u>1/4%</u>	<u>0%</u>	<u>1/4%</u>
TOTAL	<u>4 3/4%</u>	<u>2%</u>	<u>2 7/12%</u>

The Jefferson Parish Sheriff's Office (a separate reporting entity) collects all parish taxes, except on motor vehicle sales, and retains 11% as a collection commission on the share going to local governments. The state collects parish taxes on motor vehicle sales, and remits them back to the Parish of registration.

The Sheriff prorates this motor vehicle tax back to the municipalities in proportion to the sales tax collected within each municipality. Taxes due on sales in a month must be remitted by the merchants to the Sheriff by the 20th of the following month. The Sheriff distributes these collections to the local governments approximately 30 days later.

NOTE L - INTEREST COST

Interest expense incurred in the proprietary funds during the year was as follows:

	<u>ENTERPRISE FUNDS</u>	
	<u>DEPARTMENT OF WASTEWATER OPERATIONS</u>	<u>CIVIC CENTER OPERATIONS</u>
Interest expense	<u>\$ 8,855</u>	<u>\$ -</u>

NOTE M - SEGMENT INFORMATION-ENTERPRISE FUNDS

The City maintains two Enterprise Funds of which one provides sewer services to the residents of the City and one is used to account for the operations of the Pontchartrain Civic Center. Segment information as of and for the year ended June 30, 2000, is as follows (in thousands of dollars):



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE M - SEGMENT INFORMATION - ENTERPRISE FUNDS (CONTINUED)

	<u>DEPARTMENT OF WASTEWATER OPERATIONS</u>	<u>CIVIC CENTER OPERATIONS</u>	<u>TOTAL</u>
Type of service	Sewerage	Facility Rental	
Operating revenues	\$ 4,187	\$ 1,221	\$ 5,408
Depreciation	1,707	616	2,323
Operating loss	(1,910)	(1,183)	(3,093)
Operating transfers in	-	-	-
Ad valorem tax revenues	476	-	476
Hotel/motel taxes	-	323	323
Franchise fees	-	685	685
Net loss	(1,439)	(113)	(1,552)
Current capital contributions	-	-	-
Property, plant, and equipment, net	50,745	20,189	70,934
Net working capital	1,263	1,501	2,764
Total assets	52,570	22,101	74,671
Total long-term liabilities	20	-	20
Total fund equity	51,989	21,690	73,679

NOTE N - CONTRIBUTED CAPITAL

During the year, contributed capital increased by the following amounts (in thousands of dollars):

	<u>ENTERPRISE FUNDS</u>		
	<u>DEPARTMENT OF WASTEWATER OPERATIONS</u>	<u>CIVIC CENTER OPERATIONS</u>	<u>TOTAL</u>
Balance at July 1, 1999	\$ 68,992	\$ 24,188	\$ 93,180
Additions:			
Contributions of fixed assets financed by:			
Municipal Government	-	-	-
Balance at June 30, 2000	<u>\$ 68,992</u>	<u>\$ 24,188</u>	<u>\$ 93,180</u>

NOTE O - TREASURE CHEST RIVERBOAT CASINO AGREEMENT

The City of Kenner and Treasure Chest Casino, L.L.C. entered into a lease of property in Laketown, Kenner on December 3, 1993 for Treasure Chest Casino, L.L.C.'s riverboat gaming operations. The term of the lease is divided into three phases, an Initial Term, a Primary Term, and at the Lessee's option, one or more Renewal Terms. The "Initial Term" of the lease began on the date of execution and continued until July 1, 1994. The "Primary Term" of the lease is for five years beginning on July 1, 1994 and the Lessee has the option to extend the term of this lease for six additional Renewal Terms of five years each. The Lessee agrees to pay "Initial Rent" to the City

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE O - TREASURE CHEST RIVERBOAT CASINO AGREEMENT (CONTINUED)

should the opening date occur during the Initial Term at an amount equal to \$2.50 for each passenger throughout the remainder of the Initial Term. Commencing with the Primary Term, the Lessee paid to the City a minimum annual rent ("Base Rent"). The Base Rent for the first year of the Primary Term was \$1,600,000. The Base Rent shall be determined for each subsequent lease fiscal year of the lease by multiplying the actual number of passengers during the first three quarters of the lease fiscal year by \$2.50. The Base Rent for the first year of the Primary Term was calculated based upon 640,000 passengers. Commencing with the Primary Term, in addition to the Base Rent above, the Lessee shall pay to the City an amount equal to \$2.50 for each passenger in excess of the number of passengers per lease fiscal year used to determine the Base Rent for that particular year ("Per Capita Rent"). In accordance with the "Initial Improvement Plan", the Lessee paid to the City a "Lump Sum Advanced Payment" in the amount set forth in the Initial Improvement Plan, the proceeds of which were used by the City to make certain infrastructure improvements. The Lessee agreed to make certain leasehold improvements at pre-approved costs and was entitled to recapture the Lump Sum Advanced Payment and that portion of the costs of the leasehold improvements by means of credits against the rent. The Lessee was entitled to deduct from its monthly rent payments 25% of such payments until the lessee has received a credit equal to the cost of the rent credit improvements. Total rent credits allowed under the lease of \$2,619,000 have been fully utilized as of June 30, 1998. Commencing on the opening date, in addition to the Initial Rent, Base Rent and Per Capita Rent, the Lessee shall pay to the City the "Percentage Rent" in an amount equal to the greater of 1% of its net gaming proceeds and any admission fees in excess of \$10.00 per passenger or the "minimum percentage rent". There will be no Minimum Rent during the Initial Term. The Minimum Percentage Rent for the first year of the Primary Term was \$312,853, and for each subsequent base fiscal year, an amount equal to the Percentage Rent for the first three quarters of the preceding base fiscal year. Such Percentage Rent shall be used to subsidize City projects such as City Recreational Facilities, City Playgrounds, Tourism Advertisement and Brochures, Convention Center/Hotel Shuttle, Trolley Transportation, City Museums, Alzheimer's Center Operations, City Sponsored Summer Camps, and City Senior Citizens Activities. Any funds remaining shall be dedicated to City capital projects.

The Kenner Police Department is entitled to 24% of all lease revenues received by the City, and shall not be subject to any Rent Credits. During the Primary Term of this lease and each Renewal Term, the lessee agrees to pay to the Kenner Police Department the greater of \$400,000 or 1% of net gaming proceeds.

In September 1994, the riverboat casino began operations.

NOTE P - RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To account for and finance its uninsured risks of loss, the City has established a Self-Insurance Fund (an internal service fund). Under this program, the Self-Insurance Fund provides coverage for up to a maximum of \$250,000 for each general liability claim with commercial insurance for claims in excess of coverage provided by the fund up to \$10,000,000; \$250,000 for each auto liability claim with commercial insurance for claims in excess of coverage provided by the fund up to \$10,000,000; and \$300,000 for each worker's compensation claim with commercial insurance for claims in excess of coverage provided by the fund up to \$1,000,000. The City purchases commercial insurance for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

Also, the Fund provides coverage for auto/physical damage which requires a \$1,000 deductible per department per occurrence. The remaining balance on the claim is paid by the Fund.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE P - RISK MANAGEMENT (CONTINUED)

All funds of the City with employees, except for the Department of Wastewater Operations and the Civic Center Operations Funds, participate in the program and make payments to the fund based on an actuarial valuation dated July 1996 adjusted by the actual performance of the programs using historical experience. The claims liability of \$2,736,793 (which includes claims incurred but not reported of \$1,443,650 reported in the Fund at June 30, 2000) is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Governmental Accounting Standards Board Statement No. 30, *"Risk Financing Omnibus - An Amendment of GASB Statement No. 10"*, requires that specific, incremental claim adjustment expenses and estimated recoveries be considered in calculating the claims liability. Changes in the balances of claims liabilities during fiscal years 2000 and 1999 were as follows:

	Beginning of Fiscal Year <u>Liability</u>	Current Year Claims and Changes in <u>Estimates</u>	Claim <u>Payments</u>	Balance at Fiscal Year End
1998-1999	\$ 1,833,628	\$ 1,085,930	\$ (552,370)	\$ 2,367,188
1999-2000	\$ 2,367,188	\$ 917,738	\$ (548,133)	\$ 2,736,793

HEALTH INSURANCE

The City provides health and accident insurance to its employees through health maintenance organizations (HMO's) and commercial insurance carriers. The City has no additional liability other than the initial premiums.

NOTE Q - COMMITMENTS AND CONTINGENCIES

LITIGATION

The City is a defendant in a number of claims and lawsuits resulting principally from personal injury, property damage, and excessive assessment claims. The City Attorney and outside counsel have reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the City and to arrive at an estimate, if any, of the amount or range of potential loss to the City. As a result of such review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", and "remote" contingencies as defined in GASB Codification C50. The City's "reasonably possible" loss contingencies at June 30, 2000 for which an amount of liability can be estimated ranges from \$115,000 to \$510,000, and is not reflected in these financial statements. All probable claims have been accrued as liabilities in the City's Self-Insurance Fund (see Note P for additional details) and General Fund.

FEDERALLY ASSISTED PROGRAMS

The City receives significant financial assistance from numerous federal and state governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements. The programs are audited in accordance with the Single Audit Act of 1984 and 1996 Amendments and also subject to further examination by the grantor agency. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements.

EPA ADMINISTRATIVE ORDER

On November 30, 1990, the United States Environmental Protection Agency (EPA) issued the City an Administrative Order for sewerage effluent violations. As a result, the City has initiated a sewer rehabilitation project for which costs are approximately \$15 million. Failure to comply with the provisions of the Order could result in monetary fines or an EPA administrative penalty. See Note G for additional information regarding the financing of the sewer rehabilitation project.



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE Q - COMMITMENTS AND CONTINGENCIES (CONTINUED)

AGREEMENT FOR OPERATIONS, MAINTENANCE AND MANAGEMENT SERVICES OF THE KENNER WASTEWATER COLLECTION AND TREATMENT SYSTEMS

In July 1995, the City entered into an agreement with Professional Services Group, Inc. ("PSG") for the management, operation and maintenance of the Wastewater Collection and Treatment Systems. PSG offered employment to all personnel of Kenner who were currently assigned full-time to the Wastewater Department. In July 1999, the agreement was amended and restated. PSG's compensation from the City of Kenner under this agreement consists of an annual fee (\$2,744,264), funding the Kenner Budget Pass-Through Fund (\$817,567) and payment of electrical invoices. The term of this agreement is for 20 years commencing on July 1, 1995 with the option for four, five-year renewal periods. The annual fee and Kenner Budget Pass-Through Fund will be adjusted annually either by negotiation or in accordance with the CPI Adjustment Formula as stipulated in the agreement.

CITY OF KENNER FIREFIGHTERS

The Firefighters Association filed a class-action lawsuit against the City in 1994, alleging it violated State law by not giving firefighters the full 18 days of annual vacation required. The suit bounced back and forth between the district, appellate and Supreme Court, before the Firefighters Association eventually lost in the 24<sup>th</sup> Judicial District Court in 1998. The Firefighters Association appealed, and the 5<sup>th</sup> Circuit appellate court reversed the decision in August 1999. The Louisiana Supreme Court denied the City's application for writ of certiorari in November 1999. The case is still pending before the trial court for calculation of past due pay for the vacation days improperly calculated. The lawsuit has been categorized as probable as defined in GASB Codification C50. The estimated range of the potential loss from the lawsuit is from \$540,000 to \$1,083,000, of which a liability in the amount of \$540,000 has been accrued in the General Fund.

COPS GRANT PROGRAM

In the prior year, questioned costs arose related to the Kenner Police Department hiring an officer before May 1, 1996, the COPS Universal Hiring Program ("UHP") grant award date; and requesting reimbursement of COPS More '96 grant funds for equipment/technology expended before June 1, 1997, the COPS More '96 grant award date. After a Monitoring Division site visit and information provided by the Kenner Police Department, it was determined by the COPS Office that the City of Kenner violated a condition of the COPS UHP and More '96 by expending grant funds for an officer hired before the grant award start date and by requesting reimbursement for equipment purchased before the grant award start date. Therefore, the COPS Office is requesting the return of a portion of the COPS UHP grant award and the entire COPS More '96 grant award for a total of \$468,220. The City with its legal counsel is in the process of negotiations with the COPS Office in an effort to resolve this matter favorably for the City. Since the status of these negotiations is unknown at the time of this report, this amount will not be reflected as a liability in the financial statements but will be reported as a questioned cost as of June 30, 2000 in the Schedule of Findings and Questioned Costs.

ROAD TAX MILLAGE

On November 20, 1999, voters approved the renewal of a 15-year road tax for maintenance of the City's major streets. The City will begin levying the 10.35 mill property tax in 2003, when it expires with Jefferson Parish. On May 20, 1999, the Parish of Jefferson, State of Louisiana and Sub-Road District No. 1 of the Road District No. 1 of the Parish of Jefferson, State of Louisiana and the City of Kenner entered into an Intergovernmental Agreement for the transfer, management and funding of streets in the City of Kenner. In addition, Jefferson Parish will loan \$500,000 per year beginning 1999 through 2002 which will be repaid to Jefferson Parish upon the City's collection of the 10.35 mill property tax. In accordance with the Agreement, the City of Kenner will maintain, repair and upgrade certain streets within the City, not to exceed \$500,000 per year. In March 2000, the City received a check from Jefferson Parish in the amount of \$1,000,000 for the years 1999 and 2000.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE Q - COMMITMENTS AND CONTINGENCIES (CONTINUED)

LEASE COMMITMENTS - GENERAL

Leases are accounted for in accordance with GASB Codification Section L20-Leases, which requires classification of leases as capital or operating leases. Governmental fund assets under capital leases are recorded in the General Fixed Assets Account Group and the lease obligations are recorded in the General Long-Term Debt Account Group.

Capital Lease

The City entered into a Municipal Lease and Option Agreement for the purchase of various equipment to be leased/purchased by the City. On September 11, 1996, a lease/purchase and escrow addendum was made to the original lease/purchase agreement dated December 7, 1995. Monthly payments began in October 1996 for a term of 10 years with payments of \$8,384 per month. Funding for the lease payments will result from the energy savings derived from the installation of such equipment.

The following is a schedule of the future minimum lease payments under the capital lease together with the present value of the minimum lease payments as of June 30, 2000.

<u>Year-Ending June 30th</u>	<u>Governmental Funds</u>
2001	\$ 100,613
2002	100,613
2003	100,613
2004	100,613
2005	100,613
2006-2007	<u>125,765</u>
Total minimum lease payments	628,830
Less amount representing interest	<u>118,830</u>
Present value of future minimum lease payments	<u>\$ 510,000</u>

Operating leases

The City is committed under various leases for buildings. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the year ended June 30, 2000 amounted to \$47,532. Future minimum lease payments for these leases are as follows:

<u>Year Ending June 30th</u>	<u>Amounts</u>
2001	\$ 47,532
2002	47,532
2003	47,532
2004	47,532
2005	<u>11,883</u>
TOTAL	<u>\$ 202,011</u>



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE R - DEFERRED COMPENSATION PLAN

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The Plan, available to all City employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

In 1996, the U.S. Congress passed the Small Business Job Protection Act of 1996, which requires that employer governments place all amounts deferred under IRC Section 457 into a trust for the exclusive benefit of participants and their beneficiaries. In previous years, these assets were solely the property of the City and subject to claims of the City's general creditors, and were reported in the City's financial statements. In the prior year, the City amended its Plan to comply with the requirements of the Act. Thus, the City no longer has ownership of the Plan assets and they are no longer reported in the City's financial statements.

NOTE S - POSTEMPLOYMENT BENEFITS

In addition to the pension benefits described in Note T, the City provides postretirement health care and life insurance benefits, authorized by City resolution, to all retirees with 20 years or more of service. Expenditures for postretirement health care and life insurance benefits are recognized as the premiums are paid by the City, which is required to pay only the retirees' portion. The retiree must pay the portion of the premium related to any dependents. At June 30, 2000, sixty-eight retirees were eligible and were receiving such health care benefits. Total health care premiums amounted to \$177,333, of which \$132,725 (75%) was paid by the City and \$44,609 (25%) was paid by the retirees for the year ended June 30, 2000. Life insurance premiums paid by the City for seventy-one eligible retirees amounted to \$2,680 for the year-ended June 30, 2000. These post retirement health care and life insurance benefits are not accounted for as a defined benefit pension plan thus Governmental Accounting Standards Board Statement No. 26 *"Financial Reporting for Postemployment Healthcare Plans Administered by Defined Benefit Pension Plans"* does not apply.

NOTE T - PENSION PLANS

GENERAL

The City reporting entity participates in three defined benefit pension plans. Assets are held separately and may be used only for the payment of benefits to the members of the respective plans, as follows:

Substantially all of the City's full-time, permanent employees, other than those employed by the Kenner Fire Department and Kenner Police Department are participants in the Municipal Employees' Retirement System, State of Louisiana (the Municipal Plan), a cost-sharing, multiple-employer defined benefit plan.

All full-time officers of the Police Department of the City are participants in the Municipal Police Employees Retirement System (the Police Plan), a cost-sharing, multiple-employer defined benefit plan.

Prior to the merger with the Statewide Firefighters Retirement System ("SFRS") as of March 27, 1999, the employees of the Fire Department of the City were participants in the Firemen's Pension and Relief Fund (The Firemen's Plan), a single-employer defined benefit plan administered by a five member Board of Trustees. A contingency fund remains to handle those six (6) members who could retire after twenty (20) years of service if hired before April 1, 1978. Upon these members meeting the qualifications for retirement under the Statewide Plan, no further benefits would be liable from the contingency fund.

PLAN DESCRIPTIONS

Municipal Employees' Retirement System, State of Louisiana (The Municipal Plan)

Employees of the City participate in Plan A of the Municipal Plan. Under the Municipal Plan, employees with 10 years of service may retire at age 60, employees with 25 years of service may retire at age 55, and employees with 30 years of service may retire regardless of age. In addition, employees may also retire with 20 years of service regardless of age; however, the benefits payable to such employees must be actuarially reduced and such employees

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE T - PENSION PLANS (CONTINUED)

may not participate in the Deferred Retirement Option Plan (DROP). Effective July 1, 1999, employees with 25 years of service may retire or participate in the DROP, regardless of age. The monthly amount of the retirement allowance is equal to 3 percent of the member's final compensation multiplied by his years of service. Retirement benefits are payable monthly for the life of the retiree, and upon the retiree's death, under certain conditions, are payable to the surviving spouse. The Municipal Plan retirement information in this Note is provided as of the latest actuarial valuation, June 30, 1999. The Municipal Employees' Retirement System of Louisiana issues a publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained from the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Municipal Police Employees Retirement System (The Police Plan)

Members of the Police Plan are eligible for normal retirement after they have been a member of the plan for one year, if they have 25 years of service at any age or they have 20 years service and are age 50 or have 12 years service and are age 55. Benefit provisions are authorized within Act 189 of 1973 and amended by LRS 11:2211 – 11:2233. The monthly retirement benefit is equal to 3 1/3 percent of the member's average monthly earnings during the highest consecutive 36 months, multiplied by years of creditable service, not to exceed 100 percent of member's final compensation. Retirement benefits are payable monthly to the retiree, and upon the death of the retiree, under certain conditions, are payable to the surviving spouse and minor children. The Police Plan retirement information in this Note is provided as of the latest actuarial valuation, June 30, 1999. The Municipal Police Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained from the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Firemen's Pension and Relief Fund (The Firemen's Plan) and the Statewide Firefighters Retirement System

Prior to the merger with the Statewide Plan, all permanent active employees of the Fire Department were eligible for participation. Under the Firemen's Plan, members prior to April 1, 1978, with 20 years of service may retire. Contribution requirements were determined and authorized by Act 765 of the 1989 Regular Session of the Louisiana Legislature and approved by the City Council of the City of Kenner, Louisiana Resolution B – 8679 dated February 15, 1990. Contribution increases are established under Act 558 of the 1995 Regular Session of the Louisiana Legislature. Effective March 27, 1999, all contributions are made directly to the State for those members who merged with the SFRS. The amounts remaining in the contingency fund are deemed adequate for any potential contingency fund liabilities related to those members on the 20 year plan. Therefore, no additional contributions will be made to the contingency fund. Members after March 31, 1978 and on or before September 30, 1995 with 30 years of service are eligible to retire. Members after September 30, 1995 with 30 years of service and upon reaching age 55 are eligible to retire. Retirement benefits for members prior to April 1, 1978, are 66 2/3 percent of monthly salary at the time of retirement for 20 to 24 years of service, 75 percent of salary for 25 to 29 years of service, and 85 percent of salary for 30 or more years of service. Retirement benefit for members after March 31, 1978, is 85 percent of the monthly salary received at time of retirement. Retirement benefits are payable monthly for the life of the retiree, and upon the retiree's death, under certain conditions, are payable to the surviving spouse. Due to the merger in March 1999, only six Kenner members remain eligible for such benefits under the Fund. Upon these members reaching the qualifications for retirement under the Statewide Plan, no further benefits would be liable from the contingency fund. The Firemen's Plan retirement information in this note is provided as of the latest actuarial valuation, June 30, 1997. An actuarial valuation as of June 30, 2000 is in progress and will reflect the changes to the plan as a result of the merger with the SFRS in March 1999. The Firemen's Pension and Relief Fund issues a publicly available financial report that includes financial statements and required supplementary information. The financial report may be obtained from the City of Kenner, Louisiana. The Statewide Firefighters Retirement System also issues a publicly available financial report that includes financial statements and required supplementary information. However, that report was currently unavailable. It may be obtained from the Statewide Firefighters Retirement System, 3100 Brentwood Drive, Baton Rouge, LA 70809.



CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE T - PENSION PLANS (CONTINUED)

BASIS OF ACCOUNTING

The City's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions to each plan are recognized when due and the employer has made a formal commitment to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of each plan.

METHOD USED TO VALUE INVESTMENTS

As required by Governmental Accounting Standards Board Statement No. 25, "*Financial Reporting for Defined Benefit Pension Plans and Note Disclosure for Defined Contribution Plans*", investments are reported at fair value. Short-term investments are reported at cost, which approximates fair value. Securities traded on a national or international exchanges are valued at the last reported sales price at current exchange rates. Corporate bonds are valued based on yields currently available on comparable securities from issuers of similar credit ratings. Investments that do not have an established market are reported at estimated fair value.

Besides investments in the U.S. Government and U.S. Government obligations, the Plans had no investments in any one organization which represented more than 5% of the net assets available for benefits.

COVERED PAYROLL

The total payroll, as well as the covered payroll, for each of the plans for the year ended June 30, 2000 were as follows:

	<u>TOTAL</u>	<u>COVERED</u>
Municipal Plan	\$ 8,201,135	\$ 7,583,254
Police Plan	6,617,024	4,582,386
Statewide Firefighters Retirement System	2,625,894	2,625,894
Firemen's Plan	N/A	N/A

CURRENT MEMBERSHIP

At June 30, 1997 (latest date for which such information was available at the date of this report), the plan membership of the Firemen's Plan consisted of:

Retirees and beneficiaries currently receiving benefits and terminated employees who are entitled to receive benefits but are not yet receiving benefits:	30
Active plan participants:	
Fully vested	3
Partially vested	83
Total	<u>116</u>

Membership data for the Municipal Plan, Police Plan and Statewide Firefighters Retirement System, cost-sharing multiple-employer plans, are not available by individual employer.

CONTRIBUTIONS REQUIRED AND MADE

The funding policies for the Municipal Plan and the Police Plan provide for contributions at actuarially determined rates. The contribution rates of the Municipal Plan are determined using the frozen attained age normal cost method, with the unfunded accrued liability being funded over a 33 year period. Member contributions are established by state statute and are 9.25% of covered payroll. The contribution rates of the Police Plan are determined using the entry age normal cost method, with the unfunded accrued liability being funded over a 33 year period. Member contributions are established by state statute at 7.5% of covered payroll.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE T - PENSION PLANS (CONTINUED)

Contributions required and made for the Municipal Plan, a cost-sharing multiple-employer plan were as follows:

Year Ended June 30	Annual Required Contribution	City		Employees	
		Contribution	% of Covered Payroll	Contribution	% of Covered Payroll
1998	\$1,106,852	\$424,502	5.75	\$682,350	9.25
1999	1,102,286	422,622	5.75	679,664	9.25
2000	1,137,435	436,037	5.75	701,418	9.25

Contributions required and made for the Police Plan, a cost-sharing multiple-employer plan were as follows:

Year Ended June 30	Annual Required Contribution	City		Employees	
		Contribution	% of Covered Payroll	Contribution	% of Covered Payroll
1998	\$661,347	\$360,735	9.00	\$300,612	7.50
1999	743,714	405,662	9.00	338,052	7.50
2000	756,094	412,415	9.00	343,679	7.50

The Municipal Plan and the Police Plan, cost sharing multiple-employer plans, do not conduct separate measurements of assets and actuarial accrued liability for individual employers. The City's contributions to the Municipal and Police Plans represented 5.8 and 3.1 percent, respectively, of total contributions required of all employers.

Contributions required and made for the Statewide Firefighters Retirement System, a cost-sharing multi-employer plan were as follows:

Year Ended June 30	Annual Required Contribution	City		Employees	
		Contribution	% of Covered Payroll	Contribution	% of Covered Payroll
2000	\$446,402	\$236,331	9.00	\$210,071	8.00

TREND INFORMATION

Historical trend information is presented in order for a reader to assess the progress made in accumulating sufficient assets to pay pension benefits as they become due.

Six-year historical trend information is presented in the Supplementary Information Section of this report for the Firemen's Plan. Six-year historical trend information for the Municipal Plan, the Police Plan and the Statewide Firefighters Retirement System is available in the separately issued reports.

NOTE U - SUBSEQUENT EVENTS

Certificates of Indebtedness Series 2000

In August 2000, the City issued Certificates of Indebtedness Series 2000 in the amount of \$9,000,000. The bonds will refinance the existing Excess Revenue Bonds, Series 1996A and 1996B. The remainder of the bonds will pay for the wastewater plant consolidation and expansion and the construction of a new planetarium in Rivertown.

CITY OF KENNER, LOUISIANA  
NOTES TO FINANCIAL STATEMENTS (CONTINUED)  
June 30, 2000

NOTE V - AVAILABILITY OF SEPARATE FINANCIAL REPORTS

Separate audited financial reports for the year ended June 30, 2000, containing additional information as required by the revenue bond indentures, and more detailed information regarding operating results, are available from the City for the following funds:

Enterprise Funds  
Pontchartrain Center Operations

Auditors  
Rebowe & Company  
CPAs & Consultants, APC

Pension Trust Funds  
Firemen's Pension and Relief Fund

Rebowe & Company  
CPAs & Consultants, APC



(THIS PAGE LEFT BLANK INTENTIONALLY)

## **REQUIRED SUPPLEMENTARY INFORMATION SECTION**

CITY OF KENNER, LOUISIANA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
(In thousands of dollars)  
FIREMEN'S PENSION AND RELIEF FUND  
June 30, 2000

Actuarial Valuation Date June 30,	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) (b-a)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
2000	\$ *	\$ *	*	\$ *	\$ *	*
1999	*	*	*	*	*	*
1998	*	*	*	*	2,014	*
1997	9,222	13,673	67.45%	4,451	2,523	176.42%
1996	7,042	12,217	57.64%	5,175	2,224	232.69%
1995	6,554	15,605	42.00%	9,051	2,049	441.73%

Analysis of the dollar amounts of actuarial assets, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading. Expressing actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the Fund's funding status on a going concern basis. Analysis of this percentage over time indicates whether the Fund is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Fund. Trends in the unfunded actuarial accrued liability and annual covered payroll approximately adjusts for the effects of inflation and aids in the analysis of the progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller this percentage, the stronger the Fund. The above information is reported as the latest date for which such information is reported as of the latest date for which such information was available at the date of this report. An actuarial valuation as of June 30, 2000 is in progress and will reflect the changes to the plan as a result of the merger with the SFRS in March 1999.

\* An actuarial valuation report was not prepared for the year ended June 30, 1998, 1999 and 2000.

CITY OF KENNER, LOUISIANA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS AND TREND INFORMATION  
(In thousands of dollars)  
FIREMEN'S PENSION AND RELIEF FUND  
June 30, 2000

<u>Year Ended June 30,</u>	<u>Annual Pension Cost (APC)*</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
2000	\$ -	-	\$ -
1999	271,425	100%	-
1998	473,643	100%	-
1997	437,313	100%	-
1996	430,767	100%	-
1995	410,377	100%	-

\* The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. Additional information as of the latest actuarial valuation follows:

Valuation date	6/30/97
Actuarial cost method	Entry age
Amortization method	Level percent open
Remaining amortization period	30 years
Asset valuation method	Accrual method of accounting and recording investments at amortized cost
Actuarial assumptions:	
Investment rate of return:	
Before administrative expenses	18.33%
After administrative expenses	17.51%
Projected salary increases	3.0% - 6.0%
Inflation rate	3.0%

An actuarial valuation as of June 30, 2000 is in progress and will reflect the changes to the plan as a result of the merger with the SFRS in March 1999.

CITY OF KENNER, LOUISIANA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF COUNCILPERSON'S COMPENSATION  
Year Ended June 30, 2000

<u>COUNCILPERSON</u>	<u>NUMBER OF DAYS SERVED</u>		<u>COMPENSATION</u>
Betty Bonura	366	\$	29,033
Terry McCarthy	366		31,210
Marc Johnson	366		24,587
John T. Lavarine, III	366		20,637
Jeannie Black	366		23,387
Michelle Branigan	366		23,337
Philip L. Capitano	366		23,337



**COMBINING AND INDIVIDUAL FUND  
AND ACCOUNT GROUP STATEMENTS**

(THIS PAGE LEFT BLANK INTENTIONALLY)

## GENERAL FUND

The General Fund is the principal operating fund of the City of Kenner, and accounts for the financial resources and expenditures not accounted for in any other fund.

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
BALANCE SHEET  
June 30, 2000

ASSETS

Cash	\$ 125,304
Equity in pooled cash and investments	2,179,283
Investments	9,754,095
Receivables (net, where applicable, of allowances for uncollectibles)	
Accounts	3,809,673
Intergovernmental	3,133,494
Special assessments - delinquent	26,932
Interest	-
Due from other funds	4,200,564
Inventory	77,748
Prepaid items	99,783
	<hr/>
TOTAL ASSETS	<u>\$ 23,406,876</u>

LIABILITIES AND FUND BALANCE

Liabilities

Accounts payable	\$ 885,774
Retainage payable	548,440
Accrued liabilities	1,035,111
Due to other funds	561,592
Due to other governments	847,910
Deferred revenue	1,192,117
Other liabilities	114,674
	<hr/>
TOTAL LIABILITIES	<u>5,185,618</u>

Fund balance

Reserved for encumbrances	1,915,408
Reserved for inventory	77,748
Reserved for prepaid items	99,783
Reserved for restricted expenditures	1,731,733
Reserved for capital expenditures	7,823,129
Unreserved	
Designated for subsequent years' expenditures	2,189,291
Undesignated	4,384,166
	<hr/>
TOTAL FUND BALANCE	<u>18,221,258</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 23,406,876</u>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b>REVENUES</b>					
Taxes	\$ 26,742,946	\$ 936,508	\$ 27,679,454	\$ 25,897,210	\$ 1,782,244
Licenses and permits	2,444,269	-	2,444,269	2,423,181	21,088
Intergovernmental	2,181,274	-	2,181,274	1,906,105	275,169
Charges for services	494,093	-	494,093	475,136	18,957
Fines and forfeitures	2,135,780	-	2,135,780	1,648,370	487,410
Interest on invested funds	817,806	-	817,806	385,760	432,046
Miscellaneous	147,416	-	147,416	91,945	55,471
<b>TOTAL REVENUES</b>	<b>34,963,584</b>	<b>936,508</b>	<b>35,900,092</b>	<b>32,827,707</b>	<b>3,072,385</b>
<b>EXPENDITURES</b>					
General government	8,007,147	478,097	8,485,244	8,790,711	305,467
Public safety	19,713,821	(5,925,158)	13,788,663	19,639,898	5,851,235
Public works	4,505,463	(253,899)	4,251,564	4,293,264	41,700
Health and welfare	562,850	(1,873)	560,977	576,858	15,881
Culture and recreation	3,151,513	(88,231)	3,063,282	3,550,344	487,062
Transit and urban development	398,474	-	398,474	428,278	29,804
Miscellaneous	1,674,621	(5,284)	1,669,337	1,677,390	8,053
<b>TOTAL EXPENDITURES</b>	<b>38,013,889</b>	<b>(5,796,348)</b>	<b>32,217,541</b>	<b>38,956,743</b>	<b>6,739,202</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,050,305)</b>	<b>6,732,856</b>	<b>3,682,551</b>	<b>(6,129,036)</b>	<b>9,811,587</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Operating transfers in	7,537,286	-	7,537,286	6,723,445	813,841
Operating transfers out	(7,599,581)	-	(7,599,581)	(7,573,710)	(25,871)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(62,295)</b>	<b>-</b>	<b>(62,295)</b>	<b>(850,265)</b>	<b>787,970</b>
<b>EXCESS ( DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(3,112,600)</b>	<b>6,732,856</b>	<b>3,620,256</b>	<b>(6,979,301)</b>	<b>10,599,557</b>
<b>FUND BALANCE</b>					
AT BEGINNING OF YEAR	21,333,858	(4,962,281)	16,371,577	16,371,577	-
AT END OF YEAR	<u>\$ 18,221,258</u>	<u>\$ 1,770,575</u>	<u>\$ 19,991,833</u>	<u>\$ 9,392,276</u>	<u>\$ 10,599,557</u>



CITY OF KENNER, LOUISIANA  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
Year Ended June 30, 2000

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b>TAXES</b>					
Ad valorem tax	\$ 866,842	\$ -	\$ 866,842	\$ 835,147	\$ 31,695
Sales tax	14,990,103	-	14,990,103	13,475,111	1,514,992
Beer tax	89,653	-	89,653	87,942	1,711
Parking tax	1,348,547	-	1,348,547	1,365,406	(16,859)
Franchises					
Electricity service	1,322,620	-	1,322,620	1,256,791	65,829
Gas service	140,000	-	140,000	140,000	-
Off-track wagering	291,217	-	291,217	274,122	17,095
Hotel/motel tax	109,533	-	109,533	115,945	(6,412)
Telephone	463,552	-	463,552	469,421	(5,869)
Riverboat	7,120,879	936,508	8,057,387	7,877,325	180,062
<b>TOTAL TAXES</b>	<b>26,742,946</b>	<b>936,508</b>	<b>27,679,454</b>	<b>25,897,210</b>	<b>1,782,244</b>
<b>LICENSES AND PERMITS</b>					
Business					
Occupational	1,730,908	-	1,730,908	1,753,476	(22,568)
Alcoholic beverage	66,422	-	66,422	67,644	(1,222)
Chain store	76,125	-	76,125	62,916	13,209
Plumbing	32,200	-	32,200	32,055	145
Electrical	19,735	-	19,735	20,048	(313)
Taxi cab	38,980	-	38,980	42,681	(3,701)
Air conditioning	15,805	-	15,805	15,118	687
Bingo	817	-	817	350	467
Animal control	1,570	-	1,570	825	745
<b>TOTAL BUSINESS</b>	<b>1,982,562</b>	<b>-</b>	<b>1,982,562</b>	<b>1,995,113</b>	<b>(12,551)</b>
Non-business					
Building	120,430	-	120,430	92,344	28,086
Garage sales	4,124	-	4,124	4,904	(780)
Brake tags	337,153	-	337,153	330,820	6,333
<b>TOTAL NON-BUSINESS</b>	<b>461,707</b>	<b>-</b>	<b>461,707</b>	<b>428,068</b>	<b>33,639</b>
<b>TOTAL LICENSES AND PERMITS</b>	<b>2,444,269</b>	<b>-</b>	<b>2,444,269</b>	<b>2,423,181</b>	<b>21,088</b>
<b>INTERGOVERNMENTAL</b>					
From state					
Tobacco tax	321,647	-	321,647	321,647	-
Parish transportation fund	421,795	-	421,795	397,102	24,693
Parish road fund	207,867	-	207,867	193,186	14,681
Video poker	725,298	-	725,298	740,374	(15,076)
Other state grants	251,494	-	251,494	-	251,494
From other local government subdivisions					
Jefferson Council on Aging	42,173	-	42,173	42,796	(623)
Jefferson Parish	211,000	-	211,000	211,000	-
<b>TOTAL INTERGOVERNMENTAL</b>	<b>2,181,274</b>	<b>-</b>	<b>2,181,274</b>	<b>1,906,105</b>	<b>275,169</b>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (CONTINUED)  
Year Ended June 30, 2000

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b>CHARGES FOR SERVICES</b>					
Zoning fees	\$ 13,390	\$ -	\$ 13,390	\$ 10,000	\$ 3,390
Inspection fees					
Electrical	55,951	-	55,951	50,002	5,949
Plumbing	41,866	-	41,866	30,119	11,747
Air conditioning heating, and other	32,161	-	32,161	24,355	7,806
Maps and document sales	3,766	-	3,766	4,400	(634)
Tax research fees	15,222	-	15,222	15,650	(428)
Police reports	41,187	-	41,187	46,257	(5,070)
Weed cutting fees	78,999	-	78,999	68,160	10,839
Recreation department					
Participation fees	4,132	-	4,132	15,000	(10,868)
Admission fees	144,985	-	144,985	149,000	(4,015)
Identification and other fees	650	-	650	450	200
Community service fees	784	-	784	743	41
Administrative charges	61,000	-	61,000	61,000	-
<b>TOTAL CHARGES FOR SERVICES</b>	<b>494,093</b>	<b>-</b>	<b>494,093</b>	<b>475,136</b>	<b>18,957</b>
<b>FINES AND FORFEITURES</b>					
Fines	1,933,922	-	1,933,922	1,447,815	486,107
Forfeitures	176,837	-	176,837	176,176	661
DWI fines	10,058	-	10,058	13,000	(2,942)
Reinstatement fees	14,963	-	14,963	11,379	3,584
<b>TOTAL FINES AND FORFEITURES</b>	<b>2,135,780</b>	<b>-</b>	<b>2,135,780</b>	<b>1,648,370</b>	<b>487,410</b>
<b>INTEREST ON INVESTED FUNDS</b>	<b>817,806</b>	<b>-</b>	<b>817,806</b>	<b>385,760</b>	<b>432,046</b>
<b>MISCELLANEOUS</b>					
Donations	849	-	849	-	849
Rents	20,979	-	20,979	12,090	8,889
Other investment income	52,219	-	52,219	60,000	(7,781)
Other	73,369	-	73,369	19,855	53,514
<b>TOTAL MISCELLANEOUS</b>	<b>147,416</b>	<b>-</b>	<b>147,416</b>	<b>91,945</b>	<b>55,471</b>
<b>TOTAL REVENUES</b>	<b>\$34,963,584</b>	<b>\$ 936,508</b>	<b>\$ 35,900,092</b>	<b>\$ 32,827,707</b>	<b>\$ 3,072,385</b>

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
Year Ended June 30, 2000

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b>GENERAL GOVERNMENT</b>					
Personnel	\$ 3,250,012	\$ -	\$ 3,250,012	\$ 3,312,708	\$ 62,696
Supplies	117,458	(1,843)	115,615	130,902	15,287
Service charges	4,364,890	(107,103)	4,257,787	4,740,802	483,015
Capital outlay	274,787	587,043	861,830	606,299	(255,531)
<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$ 8,007,147</b>	<b>\$ 478,097</b>	<b>\$ 8,485,244</b>	<b>\$ 8,790,711</b>	<b>\$ 305,467</b>
<b>PUBLIC SAFETY</b>					
Personnel	\$ 8,816,542	\$ -	\$ 8,816,542	\$ 11,340,381	\$ 2,523,839
Supplies	526,180	(12,619)	513,561	676,284	162,723
Service charges	2,550,128	(6,178)	2,543,950	2,963,762	419,812
Capital outlay	7,820,971	(5,906,361)	1,914,610	4,659,471	2,744,861
<b>TOTAL PUBLIC SAFETY</b>	<b>\$ 19,713,821</b>	<b>\$ (5,925,158)</b>	<b>\$ 13,788,663</b>	<b>\$ 19,639,898</b>	<b>\$ 5,851,235</b>
<b>PUBLIC WORKS</b>					
Personnel	\$ 2,880,307	\$ (21,461)	\$ 2,858,846	\$ 2,877,427	\$ 18,581
Supplies	723,322	(21,818)	701,504	723,383	21,879
Service charges	154,008	(15,846)	138,162	147,579	9,417
Capital outlay	747,826	(194,774)	553,052	544,875	(8,177)
<b>TOTAL PUBLIC WORKS</b>	<b>\$ 4,505,463</b>	<b>\$ (253,899)</b>	<b>\$ 4,251,564</b>	<b>\$ 4,293,264</b>	<b>\$ 41,700</b>
<b>HEALTH AND WELFARE</b>					
Personnel	\$ 413,440	\$ -	\$ 413,440	\$ 415,537	\$ 2,097
Supplies	133,619	(1,873)	131,746	140,755	9,009
Service charges	15,791	-	15,791	20,566	4,775
Capital outlay	-	-	-	-	-
<b>TOTAL HEALTH AND WELFARE</b>	<b>\$ 562,850</b>	<b>\$ (1,873)</b>	<b>\$ 560,977</b>	<b>\$ 576,858</b>	<b>\$ 15,881</b>
<b>CULTURE AND RECREATION</b>					
Personnel	\$ 1,761,550	\$ -	\$ 1,761,550	\$ 1,808,081	\$ 46,531
Supplies	259,519	(8,856)	250,663	271,564	20,901
Service charges	945,581	1,058	946,639	1,307,877	361,238
Capital outlay	184,863	(80,433)	104,430	162,822	58,392
<b>TOTAL CULTURE AND RECREATION</b>	<b>\$ 3,151,513</b>	<b>\$ (88,231)</b>	<b>\$ 3,063,282</b>	<b>\$ 3,550,344</b>	<b>\$ 487,062</b>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)  
Year Ended June 30, 2000

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
TRANSIT					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Service charges	398,474	-	398,474	428,278	29,804
Capital outlay	-	-	-	-	-
TOTAL TRANSIT	<u>\$ 398,474</u>	<u>\$ -</u>	<u>\$ 398,474</u>	<u>\$ 428,278</u>	<u>\$ 29,804</u>
MISCELLANEOUS					
Personnel	\$ 111,034	\$ -	\$ 111,034	\$ 117,390	\$ 6,356
Supplies	-	-	-	-	-
Service charges	1,563,587	(5,284)	1,558,303	1,560,000	1,697
Capital outlay	-	-	-	-	-
TOTAL MISCELLANEOUS	<u>\$ 1,674,621</u>	<u>\$ (5,284)</u>	<u>\$ 1,669,337</u>	<u>\$ 1,677,390</u>	<u>\$ 8,053</u>
TOTAL EXPENDITURES					
Personnel	\$ 17,232,885	\$ (21,461)	\$ 17,211,424	\$ 19,871,524	\$ 2,660,100
Supplies	1,760,098	(47,009)	1,713,089	1,942,888	229,799
Service charges	9,992,459	(133,353)	9,859,106	11,168,864	1,309,758
Capital outlay	9,028,447	(5,594,525)	3,433,922	5,973,467	2,539,545
TOTAL EXPENDITURES	<u>\$ 38,013,889</u>	<u>\$ (5,796,348)</u>	<u>\$ 32,217,541</u>	<u>\$ 38,956,743</u>	<u>\$ 6,739,202</u>

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
GENERAL GOVERNMENT FUNCTION  
Year Ended June 30, 2000

COUNCIL OFFICE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES					
Personnel	\$ 555,722	\$ -	\$ 555,722	\$ 574,888	\$ 19,166
Supplies	33,766	195	33,961	41,600	7,639
Service charges	104,149	(519)	103,630	134,950	31,320
Capital outlay	16,575	6,504	23,079	159,127	136,048
TOTAL EXPENDITURES	\$ 710,212	\$ 6,180	\$ 716,392	\$ 910,565	\$ 194,173

MAYOR'S OFFICE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES					
Personnel	\$ 216,751	\$ -	\$ 216,751	\$ 215,249	\$ (1,502)
Supplies	9,512	(96)	9,416	10,452	1,036
Service charges	15,766	-	15,766	19,466	3,700
Capital outlay	9,466	(4,748)	4,718	10,658	5,940
TOTAL EXPENDITURES	\$ 251,495	\$ (4,844)	\$ 246,651	\$ 255,825	\$ 9,174

CHIEF ADMINISTRATIVE OFFICE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES					
Personnel	\$ 285,886	\$ -	\$ 285,886	\$ 288,058	\$ 2,172
Supplies	4,564	(16)	4,548	5,045	497
Service charges	9,745	-	9,745	12,222	2,477
Capital outlay	26,035	(19,686)	6,349	9,963	3,614
TOTAL EXPENDITURES	\$ 326,230	\$ (19,702)	\$ 306,528	\$ 315,288	\$ 8,760

(Continued)



CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
GENERAL GOVERNMENT FUNCTION (CONTINUED)  
Year Ended June 30, 2000

FINANCE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 377,275	\$ -	\$ 377,275	\$ 375,436	\$ (1,839)
Supplies	18,245	373	18,618	19,000	382
Service charges	29,976	-	29,976	35,870	5,894
Capital outlay	13,375	(691)	12,684	13,009	325
TOTAL EXPENDITURES	<u>\$ 438,871</u>	<u>\$ (318)</u>	<u>\$ 438,553</u>	<u>\$ 443,315</u>	<u>\$ 4,762</u>

PURCHASING

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 186,047	\$ -	\$ 186,047	\$ 184,827	\$ (1,220)
Supplies	6,222	(1,908)	4,314	4,729	415
Service charges	15,970	50	16,020	16,671	651
Capital outlay	17,312	4,926	22,238	22,731	493
TOTAL EXPENDITURES	<u>\$ 225,551</u>	<u>\$ 3,068</u>	<u>\$ 228,619</u>	<u>\$ 228,958</u>	<u>\$ 339</u>

PERSONNEL

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 241,168	\$ -	\$ 241,168	\$ 239,600	\$ (1,568)
Supplies	4,111	(211)	3,900	4,560	660
Service charges	24,010	-	24,010	32,109	8,099
Capital outlay	11,198	(3,942)	7,256	14,784	7,528
TOTAL EXPENDITURES	<u>\$ 280,487</u>	<u>\$ (4,153)</u>	<u>\$ 276,334</u>	<u>\$ 291,053</u>	<u>\$ 14,719</u>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
GENERAL GOVERNMENT FUNCTION (CONTINUED)  
Year Ended June 30, 2000

PLANNING

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 190,178	\$ -	\$ 190,178	\$ 190,122	\$ (56)
Supplies	2,874	42	2,916	2,960	44
Service charges	17,590	-	17,590	17,667	77
Capital outlay	14,168	(1,682)	12,486	15,013	2,527
TOTAL EXPENDITURES	<u>\$ 224,810</u>	<u>\$ (1,640)</u>	<u>\$ 223,170</u>	<u>\$ 225,762</u>	<u>\$ 2,592</u>

DATA PROCESSING

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 124,544	\$ -	\$ 124,544	\$ 124,272	\$ (272)
Supplies	7,200	192	7,392	7,961	569
Service charges	181,996	-	181,996	177,649	(4,347)
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 313,740</u>	<u>\$ 192</u>	<u>\$ 313,932</u>	<u>\$ 309,882</u>	<u>\$ (4,050)</u>

CIVIL SERVICE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 50,619	\$ -	\$ 50,619	\$ 51,268	\$ 649
Supplies	1,598	-	1,598	1,895	297
Service charges	12,097	-	12,097	15,620	3,523
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 64,314</u>	<u>\$ -</u>	<u>\$ 64,314</u>	<u>\$ 68,783</u>	<u>\$ 4,469</u>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
GENERAL GOVERNMENT FUNCTION (CONTINUED)  
Year Ended June 30, 2000

GENERAL MUNICIPAL EXPENSE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 452,051	\$ -	\$ 452,051	\$ 474,547	\$ 22,496
Supplies	16,579	-	16,579	17,000	421
Service charges	3,913,564	(106,634)	3,806,930	3,724,373	(82,557)
Capital outlay	113,974	554,267	668,241	260,000	(408,241)
TOTAL EXPENDITURES	<u>\$ 4,496,168</u>	<u>\$ 447,633</u>	<u>\$ 4,943,801</u>	<u>\$ 4,475,920</u>	<u>\$ (467,881)</u>

EMERGENCY RESERVE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Service charges	-	-	-	500,000	500,000
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 500,000</u>	<u>\$ 500,000</u>

MAGISTRATE'S COURT

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 569,771	\$ -	\$ 569,771	\$ 594,441	\$ 24,670
Supplies	12,787	(414)	12,373	15,700	3,327
Service charges	40,027	-	40,027	54,205	14,178
Capital outlay	52,684	52,095	104,779	101,014	(3,765)
TOTAL EXPENDITURES	<u>\$ 675,269</u>	<u>\$ 51,681</u>	<u>\$ 726,950</u>	<u>\$ 765,360</u>	<u>\$ 38,410</u>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
GENERAL GOVERNMENT FUNCTION (CONTINUED)  
Year Ended June 30, 2000

TOTAL - GENERAL GOVERNMENT FUNCTION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$3,250,012	\$ -	\$ 3,250,012	\$3,312,708	\$ 62,696
Supplies	117,458	(1,843)	115,615	130,902	15,287
Service charges	4,364,890	(107,103)	4,257,787	4,740,802	483,015
Capital outlay	274,787	587,043	861,830	606,299	(255,531)
TOTAL EXPENDITURES	<u>\$8,007,147</u>	<u>\$ 478,097</u>	<u>\$ 8,485,244</u>	<u>\$8,790,711</u>	<u>\$ 305,467</u>

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
PUBLIC SAFETY FUNCTION  
Year Ended June 30, 2000

POLICE ADMINISTRATION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 895,719	\$ -	\$ 895,719	\$1,062,401	\$ 166,682
Supplies	43,543	690	44,233	97,000	52,767
Service charges	592,764	(931)	591,833	667,183	75,350
Capital outlay	54,964	16,686	71,650	90,000	18,350
TOTAL EXPENDITURES	<u>\$ 1,586,990</u>	<u>\$ 16,445</u>	<u>\$ 1,603,435</u>	<u>\$1,916,584</u>	<u>\$ 313,149</u>

ROAD POLICE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$4,178,418	\$ -	\$ 4,178,418	\$5,967,702	\$ 1,789,284
Supplies	278,618	(9,642)	268,976	314,000	45,024
Service charges	1,474,589	(334)	1,474,255	1,821,600	347,345
Capital outlay	410,075	244,128	654,203	680,000	25,797
TOTAL EXPENDITURES	<u>\$ 6,341,700</u>	<u>\$ 234,152</u>	<u>\$ 6,575,852</u>	<u>\$8,783,302</u>	<u>\$ 2,207,450</u>

POLICE DETECTIVES

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 1,017,381	\$ -	\$ 1,017,381	\$ 997,470	\$ (19,911)
Supplies	8,095	(354)	7,741	23,500	15,759
Service charges	24,291	22	24,313	43,000	18,687
Capital outlay	4,936	(3,334)	1,602	10,000	8,398
TOTAL EXPENDITURES	<u>\$ 1,054,703</u>	<u>\$ (3,666)</u>	<u>\$ 1,051,037</u>	<u>\$1,073,970</u>	<u>\$ 22,933</u>

(Continued)



CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
PUBLIC SAFETY FUNCTION (CONTINUED)  
Year Ended June 30, 2000

POLICE COMMUNICATIONS

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 441,476	\$ -	\$ 441,476	\$ 728,124	\$ 286,648
Supplies	6,602	258	6,860	9,000	2,140
Service charges	-	-	-	-	-
Capital outlay	1,695	-	1,695	10,000	8,305
TOTAL EXPENDITURES	<u>\$ 449,773</u>	<u>\$ 258</u>	<u>\$ 450,031</u>	<u>\$ 747,124</u>	<u>\$ 297,093</u>

JAIL

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 540,207	\$ -	\$ 540,207	\$ 807,883	\$ 267,676
Supplies	90,604	(1,635)	88,969	124,000	35,031
Service charges	12,528	-	12,528	17,000	4,472
Capital outlay	7,186,255	(6,068,295)	1,117,960	3,802,000	2,684,040
TOTAL EXPENDITURES	<u>\$ 7,829,594</u>	<u>\$ (6,069,930)</u>	<u>\$ 1,759,664</u>	<u>\$ 4,750,883</u>	<u>\$ 2,991,219</u>

POLICE RANGE/SWAT

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	39,015	108	39,123	38,600	(523)
Service charges	5,696	-	5,696	7,400	1,704
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 44,711</u>	<u>\$ 108</u>	<u>\$ 44,819</u>	<u>\$ 46,000</u>	<u>\$ 1,181</u>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
PUBLIC SAFETY FUNCTION (CONTINUED)  
Year Ended June 30, 2000

POLICE TRAFFIC AND RESCUE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 723,630	\$ -	\$ 723,630	\$ 728,268	\$ 4,638
Supplies	32,551	(1,065)	31,486	35,500	4,014
Service charges	257,818	690	258,508	222,100	(36,408)
Capital outlay	17,468	(2,672)	14,796	25,000	10,204
TOTAL EXPENDITURES	<u>\$ 1,031,467</u>	<u>\$ (3,047)</u>	<u>\$ 1,028,420</u>	<u>\$ 1,010,868</u>	<u>\$ (17,552)</u>

CODE ENFORCEMENT - ADMINISTRATION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 867,498	\$ -	\$ 867,498	\$ 887,153	\$ 19,655
Supplies	16,228	(449)	15,779	19,048	3,269
Service charges	181,436	(5,620)	175,816	181,032	5,216
Capital outlay	145,578	(92,874)	52,704	42,471	(10,233)
TOTAL EXPENDITURES	<u>\$ 1,210,740</u>	<u>\$ (98,943)</u>	<u>\$ 1,111,797</u>	<u>\$ 1,129,704</u>	<u>\$ 17,907</u>

CODE ENFORCEMENT - INSPECTIONS

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 152,213	\$ -	\$ 152,213	\$ 161,380	\$ 9,167
Supplies	10,924	(530)	10,394	15,636	5,242
Service charges	1,006	(5)	1,001	4,447	3,446
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 164,143</u>	<u>\$ (535)</u>	<u>\$ 163,608</u>	<u>\$ 181,463</u>	<u>\$ 17,855</u>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
PUBLIC SAFETY FUNCTION (CONTINUED)  
Year Ended June 30, 2000

TOTAL - PUBLIC SAFETY FUNCTION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES					
Personnel	\$ 8,816,542	\$ -	\$ 8,816,542	\$11,340,381	\$ 2,523,839
Supplies	526,180	(12,619)	513,561	676,284	162,723
Service charges	2,550,128	(6,178)	2,543,950	2,963,762	419,812
Capital outlay	7,820,971	(5,906,361)	1,914,610	4,659,471	2,744,861
TOTAL EXPENDITURES	<u>\$ 19,713,821</u>	<u>\$ (5,925,158)</u>	<u>\$ 13,788,663</u>	<u>\$19,639,898</u>	<u>\$ 5,851,235</u>

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
PUBLIC WORKS FUNCTION  
Year Ended June 30, 2000

TRAFFIC

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES					
Personnel	\$ 162,962	\$ -	\$ 162,962	\$ 165,848	\$ 2,886
Supplies	81,052	(5,408)	75,644	78,910	3,266
Service charges	3,327	14	3,341	4,100	759
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	\$ 247,341	\$ (5,394)	\$ 241,947	\$ 248,858	\$ 6,911

PARKWAYS

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES					
Personnel	\$ 1,050,265	\$ (21,461)	\$ 1,028,804	\$ 1,031,805	\$ 3,001
Supplies	92,694	(3,994)	88,700	83,301	(5,399)
Service charges	14,182	-	14,182	14,408	226
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	\$ 1,157,141	\$ (25,455)	\$ 1,131,686	\$ 1,129,514	\$ (2,172)

DRAINAGE

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES					
Personnel	\$ 326,294	\$ -	\$ 326,294	\$ 329,080	\$ 2,786
Supplies	58,293	(46)	58,247	60,625	2,378
Service charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	\$ 384,587	\$ (46)	\$ 384,541	\$ 389,705	\$ 5,164

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
PUBLIC WORKS FUNCTION (CONTINUED)  
Year Ended June 30, 2000

PUBLIC WORKS - VEHICLE MAINTENANCE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 201,723	\$ -	\$ 201,723	\$ 206,965	\$ 5,242
Supplies	293,251	(6,682)	286,569	299,000	12,431
Service charges	55,362	(15,802)	39,560	44,500	4,940
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 550,336</u>	<u>\$ (22,484)</u>	<u>\$ 527,852</u>	<u>\$ 550,465</u>	<u>\$ 22,613</u>

PUBLIC WORKS - BUILDING MAINTENANCE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 757,457	\$ -	\$ 757,457	\$ 762,869	\$ 5,412
Supplies	124,682	(6,210)	118,472	124,050	5,578
Service charges	456	-	456	500	44
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 882,595</u>	<u>\$ (6,210)</u>	<u>\$ 876,385</u>	<u>\$ 887,419</u>	<u>\$ 11,034</u>

PUBLIC WORKS ADMINISTRATION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 381,606	\$ -	\$ 381,606	\$ 380,860	\$ (746)
Supplies	73,350	522	73,872	77,497	3,625
Service charges	80,681	(58)	80,623	84,071	3,448
Capital outlay	747,826	(194,774)	553,052	544,875	(8,177)
TOTAL EXPENDITURES	<u>\$ 1,283,463</u>	<u>\$ (194,310)</u>	<u>\$ 1,089,153</u>	<u>\$ 1,087,303</u>	<u>\$ (1,850)</u>

(Continued)



CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
PUBLIC WORKS FUNCTION (CONTINUED)  
Year Ended June 30, 2000

TOTAL - PUBLIC WORKS FUNCTION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$2,880,307	\$ (21,461)	\$ 2,858,846	\$2,877,427	\$ 18,581
Supplies	723,322	(21,818)	701,504	723,383	21,879
Service charges	154,008	(15,846)	138,162	147,579	9,417
Capital outlay	747,826	(194,774)	553,052	544,875	(8,177)
TOTAL EXPENDITURES	<u>\$ 4,505,463</u>	<u>\$ (253,899)</u>	<u>\$ 4,251,564</u>	<u>\$4,293,264</u>	<u>\$ 41,700</u>

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
HEALTH AND WELFARE FUNCTION  
Year Ended June 30, 2000

CODE ENFORCEMENT - HUMANE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 79,062	\$ -	\$ 79,062	\$ 79,755	\$ 693
Supplies	1,091	-	1,091	2,849	1,758
Service charges	1,673	-	1,673	2,869	1,196
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 81,826</u>	<u>\$ -</u>	<u>\$ 81,826</u>	<u>\$ 85,473</u>	<u>\$ 3,647</u>

FOOD BANK

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 51,223	\$ -	\$ 51,223	\$ 51,517	\$ 294
Supplies	-	1,396	1,396	120	(1,276)
Service charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 51,223</u>	<u>\$ 1,396</u>	<u>\$ 52,619</u>	<u>\$ 51,637</u>	<u>\$ (982)</u>

COUNCIL ON AGING

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 219,302	\$ -	\$ 219,302	\$ 219,873	\$ 571
Supplies	13,034	(81)	12,953	17,860	4,907
Service charges	12,230	-	12,230	13,333	1,103
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 244,566</u>	<u>\$ (81)</u>	<u>\$ 244,485</u>	<u>\$ 251,066</u>	<u>\$ 6,581</u>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
HEALTH AND WELFARE FUNCTION (CONTINUED)  
Year Ended June 30, 2000

HANDICAPPED SERVICES

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 63,853	\$ -	\$ 63,853	\$ 64,392	\$ 539
Supplies	272	-	272	775	503
Service charges	738	-	738	2,864	2,126
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 64,863</u>	<u>\$ -</u>	<u>\$ 64,863</u>	<u>\$ 68,031</u>	<u>\$ 3,168</u>

MAINTENANCE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	119,222	(3,188)	116,034	119,151	3,117
Service charges	1,150	-	1,150	1,500	350
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 120,372</u>	<u>\$ (3,188)</u>	<u>\$ 117,184</u>	<u>\$ 120,651</u>	<u>\$ 3,467</u>

TOTAL - HEALTH AND WELFARE FUNCTION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 413,440	\$ -	\$ 413,440	\$ 415,537	\$ 2,097
Supplies	133,619	(1,873)	131,746	140,755	9,009
Service charges	15,791	-	15,791	20,566	4,775
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 562,850</u>	<u>\$ (1,873)</u>	<u>\$ 560,977</u>	<u>\$ 576,858</u>	<u>\$ 15,881</u>

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
CULTURE AND RECREATION FUNCTION  
Year Ended June 30, 2000

LEISURE SERVICES

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 78,224	\$ -	\$ 78,224	\$ 77,716	\$ (508)
Supplies	11,619	(420)	11,199	11,564	365
Service charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 89,843</u>	<u>\$ (420)</u>	<u>\$ 89,423</u>	<u>\$ 89,280</u>	<u>\$ (143)</u>

CULTURAL AFFAIRS

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 28,495	\$ -	\$ 28,495	\$ 28,267	\$ (228)
Supplies	4,542	(116)	4,426	4,327	(99)
Service charges	25,852	-	25,852	27,926	2,074
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 58,889</u>	<u>\$ (116)</u>	<u>\$ 58,773</u>	<u>\$ 60,520</u>	<u>\$ 1,747</u>

HUMANITIES AND MUSEUMS

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 256,705	\$ -	\$ 256,705	\$ 292,773	\$ 36,068
Supplies	2,141	(65)	2,076	2,275	199
Service charges	137,112	(128)	136,984	157,561	20,577
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 395,958</u>	<u>\$ (193)</u>	<u>\$ 395,765</u>	<u>\$ 452,609</u>	<u>\$ 56,844</u>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
CULTURE AND RECREATION FUNCTION (CONTINUED)  
Year Ended June 30, 2000

TOURISM

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 115,573	\$ -	\$ 115,573	\$ 116,390	\$ 817
Supplies	844	-	844	4,550	3,706
Service charges	939	-	939	6,000	5,061
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 117,356</u>	<u>\$ -</u>	<u>\$ 117,356</u>	<u>\$ 126,940</u>	<u>\$ 9,584</u>

RECREATION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 1,038,921	\$ -	\$ 1,038,921	\$ 1,050,602	\$ 11,681
Supplies	155,233	(2,424)	152,809	162,082	9,273
Service charges	463,513	(291)	463,222	486,782	23,560
Capital outlay	100,681	(45,344)	55,337	82,359	27,022
TOTAL EXPENDITURES	<u>\$ 1,758,348</u>	<u>\$ (48,059)</u>	<u>\$ 1,710,289</u>	<u>\$ 1,781,825</u>	<u>\$ 71,536</u>

RECREATION MAINTENANCE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	(5,269)	(5,269)	-	5,269
Service charges	60,373	2,233	62,606	256,877	194,271
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 60,373</u>	<u>\$ (3,036)</u>	<u>\$ 57,337</u>	<u>\$ 256,877</u>	<u>\$ 199,540</u>

(Continued)



CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
CULTURE AND RECREATION FUNCTION (CONTINUED)  
Year Ended June 30, 2000

RECREATION LEISURE SERVICE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	12,806	45	12,851	13,627	776
Service charges	(640)	-	(640)	2,276	2,916
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 12,166</u>	<u>\$ 45</u>	<u>\$ 12,211</u>	<u>\$ 15,903</u>	<u>\$ 3,692</u>

COMMUNITY SERVICE - ADMINISTRATION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 243,632	\$ -	\$ 243,632	\$ 242,333	\$ (1,299)
Supplies	72,334	(607)	71,727	73,139	1,412
Service charges	258,432	(756)	257,676	370,455	112,779
Capital outlay	84,182	(35,089)	49,093	80,463	31,370
TOTAL EXPENDITURES	<u>\$ 658,580</u>	<u>\$ (36,452)</u>	<u>\$ 622,128</u>	<u>\$ 766,390</u>	<u>\$ 144,262</u>

TOTAL - CULTURE AND RECREATION FUNCTION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 1,761,550	\$ -	\$ 1,761,550	\$ 1,808,081	\$ 46,531
Supplies	259,519	(8,856)	250,663	271,564	20,901
Service charges	945,581	1,058	946,639	1,307,877	361,238
Capital outlay	184,863	(80,433)	104,430	162,822	58,392
TOTAL EXPENDITURES	<u>\$ 3,151,513</u>	<u>\$ (88,231)</u>	<u>\$ 3,063,282</u>	<u>\$ 3,550,344</u>	<u>\$ 487,062</u>

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
TRANSIT FUNCTION  
Year Ended June 30, 2000

TOTAL - TRANSIT FUNCTION

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Service charges	398,474	-	398,474	428,278	29,804
Capital outlay	-	-	-	-	-
 TOTAL EXPENDITURES	 <u>\$ 398,474</u>	 <u>\$ -</u>	 <u>\$ 398,474</u>	 <u>\$ 428,278</u>	 <u>\$ 29,804</u>

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
MISCELLANEOUS FUNCTION  
Year Ended June 30, 2000

INSURANCE

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 79,578	\$ -	\$ 79,578	\$ 85,000	\$ 5,422
Supplies	-	-	-	-	-
Service charges	1,558,303	-	1,558,303	1,560,000	1,697
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,637,881</u>	<u>\$ -</u>	<u>\$ 1,637,881</u>	<u>\$ 1,645,000</u>	<u>\$ 7,119</u>

PAY INCENTIVES

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ 31,456	\$ -	\$ 31,456	\$ 32,390	\$ 934
Supplies	-	-	-	-	-
Service charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 31,456</u>	<u>\$ -</u>	<u>\$ 31,456</u>	<u>\$ 32,390</u>	<u>\$ 934</u>

BAD DEBT

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Service charges	5,284	(5,284)	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 5,284</u>	<u>\$ (5,284)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(Continued)

CITY OF KENNER, LOUISIANA  
GENERAL FUND  
COMBINING SCHEDULE OF DEPARTMENTAL EXPENDITURES - BUDGET AND ACTUAL  
MISCELLANEOUS FUNCTION  
Year Ended June 30, 2000

TOTAL - MISCELLANEOUS FUNCTION

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
EXPENDITURES					
Personnel	\$ 111,034	\$ -	\$ 111,034	\$ 117,390	\$ 6,356
Supplies	-	-	-	-	-
Service charges	1,563,587	(5,284)	1,558,303	1,560,000	1,697
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>\$ 1,674,621</u>	<u>\$ (5,284)</u>	<u>\$ 1,669,337</u>	<u>\$ 1,677,390</u>	<u>\$ 8,053</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)



## SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenues (other than special assessments, expendable trusts, or revenues for major capital projects) that are legally restricted to expenditures for specific purposes.

### ONE PERCENT SALES TAX OF 1984 FUND

The One Percent Sales Tax of 1984 Fund accounts for the proceeds of sales taxes generated by a 1 percent sales tax increase. These funds are to be used to fund a municipal homestead exemption, police protection and various other city services.

### COMMUNITY DEVELOPMENT BLOCK GRANT FUND

The Community Development Block Grant Fund accounts for grants received from the Federal Community Block Grant Program.

### GARBAGE COLLECTION AND DISPOSAL, ROADS AND BRIDGES, STREET LIGHTING, AND FIRE DEPARTMENT FUNDS

The Garbage Collection and Disposal, Roads and Bridges, Street Lighting, and Fire Department Funds account for the proceeds of ad valorem taxes which are specifically dedicated for the functions performed by each of these funds.

### DRUG ENFORCEMENT FORFEITURE FUND

The Drug Enforcement Forfeiture Fund accounts for funds received from the federal government related to property seized in drug arrests to be used for police purposes.

### OTHER GRANT FUNDS

Included in this column are the following funds:

#### LOCAL LAW ENFORCEMENT GRANT FUND

The Local Law Enforcement Grant Fund accounts for grants received from the Department of Justice for the Local Law Enforcement Block Grant.

#### EMERGENCY SHELTER GRANT FUND

The Emergency Shelter Grant Fund accounts for grants received from the Department of Social Services for the Emergency Shelter Grant.

#### LCLE AFTER SCHOOL DRUG FUND

The Louisiana Commission Law Enforcement (LCLE) After School Drug Fund accounts for funds received from the LCLE to implement after school programs at sites within the City.

CITY OF KENNER, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2000

	SPECIAL REVENUE			
	ONE PERCENT SALES TAX OF 1984	COMMUNITY DEVELOPMENT BLOCK GRANT	GARBAGE COLLECTION AND DISPOSAL	ROADS AND BRIDGES
<b>ASSETS</b>				
Cash	\$ -	\$ 39,809	\$ -	\$ -
Equity in pooled cash and investments	-	-	-	-
Investments	-	-	-	-
Receivables				
Intergovernmental	1,873,041	423,067	-	-
Other	-	4,597	624,382	-
Due from other funds	349,602	23,193	208,023	429,250
Prepaid items	-	2,801	-	-
<b>TOTAL ASSETS</b>	<b>\$ 2,222,643</b>	<b>\$ 493,467</b>	<b>\$ 832,405</b>	<b>\$ 429,250</b>
<b>LIABILITIES AND FUND BALANCE</b>				
<b>Liabilities</b>				
Accounts payable	\$ -	\$ 22,448	\$ 92,282	\$ 42,571
Contracts payable	-	4,658	-	-
Accrued liabilities	-	10,805	-	5,814
Due to other funds	2,222,643	80,030	487,362	346,451
Deferred revenue	-	2,140	171,180	10,360
<b>TOTAL LIABILITIES</b>	<b>2,222,643</b>	<b>120,081</b>	<b>750,824</b>	<b>405,196</b>
<b>Fund balance</b>				
Reserved for encumbrances		370,585	-	24,054
Reserved for prepaid items		2,801	-	-
Reserved for Section 108 loans		-	-	-
Reserved for restricted expenditures		-	-	-
Unreserved				
Designated for subsequent year expenditures			81,581	-
Undesignated		-	-	-
<b>TOTAL FUND BALANCE</b>	<b>-</b>	<b>373,386</b>	<b>81,581</b>	<b>24,054</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 2,222,643</b>	<b>\$ 493,467</b>	<b>\$ 832,405</b>	<b>\$ 429,250</b>

The accompanying notes are an integral part of this statement.

FUNDS WITH BUDGETS			SPECIAL REVENUE FUNDS WITHOUT BUDGET		
STREET LIGHTING	FIRE DEPARTMENT	SUBTOTAL	DRUG ENFORCEMENT FORFEITURE FUND	OTHER GRANT FUNDS	TOTAL
\$ -	\$ -	\$ 39,809	\$ 593,830	\$ 169,392	\$ 803,031
-	-	-	15,872	-	15,872
-	2,155,614	2,155,614	-	-	2,155,614
-	-	2,296,108	3,812	19,118	2,319,038
-	1,043	630,022	-	70	630,092
96,211	811,231	1,917,510	-	-	1,917,510
-	-	2,801	-	-	2,801
<u>\$ 96,211</u>	<u>\$ 2,967,888</u>	<u>\$ 7,041,864</u>	<u>\$ 613,514</u>	<u>\$ 188,580</u>	<u>\$ 7,843,958</u>
\$ 69,778	\$ 32,587	\$ 259,666	\$ 5,015	\$ 27,024	\$ 291,705
-	-	4,658	-	-	4,658
1,283	106,775	124,677	-	-	124,677
3,151	659,338	3,798,975	-	6,603	3,805,578
21,033	689,999	894,712	-	-	894,712
<u>95,245</u>	<u>1,488,699</u>	<u>5,082,688</u>	<u>5,015</u>	<u>33,627</u>	<u>5,121,330</u>
\$ 966	\$ 3,256	\$ 398,861	\$ -	\$ -	\$ 398,861
-	-	2,801	-	-	2,801
-	-	-	-	-	-
-	-	-	608,499	154,953	763,452
-	1,343,249	1,424,830	-	-	1,424,830
-	132,684	132,684	-	-	132,684
<u>966</u>	<u>1,479,189</u>	<u>1,959,176</u>	<u>608,499</u>	<u>154,953</u>	<u>2,722,628</u>
<u>\$ 96,211</u>	<u>\$ 2,967,888</u>	<u>\$ 7,041,864</u>	<u>\$ 613,514</u>	<u>\$ 188,580</u>	<u>\$ 7,843,958</u>

CITY OF KENNER, LOUISIANA  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
Year Ended June 30, 2000

	SPECIAL REVENUE			
	ONE PERCENT SALES TAX OF 1984	COMMUNITY DEVELOPMENT BLOCK GRANT	GARBAGE COLLECTION AND DISPOSAL	ROADS AND BRIDGES
REVENUES				
Taxes	\$ 10,729,414	\$ -	\$ 669,119	\$ 130
Intergovernmental	-	795,571	-	-
Charges for services	-	-	1,891,248	-
Interest	-	132	5,255	-
Miscellaneous	-	58,071	-	623
TOTAL REVENUES	10,729,414	853,774	2,565,622	753
EXPENDITURES				
Public safety	-	-	-	-
Public works	-	31,348	3,608,510	1,323,503
Culture and recreation	-	12,111	-	-
Urban development	-	822,593	-	-
TOTAL EXPENDITURES	-	866,052	3,608,510	1,323,503
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	10,729,414	(12,278)	(1,042,888)	(1,322,750)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	-	86,834	811,953	1,133,566
Operating transfers out	(10,729,414)	(129,269)	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(10,729,414)	(42,435)	811,953	1,133,566
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	-	(54,713)	(230,935)	(189,184)
FUND BALANCE				
AT BEGINNING OF YEAR	-	428,099	312,516	213,238
AT END OF YEAR	\$ -	\$ 373,386	\$ 81,581	\$ 24,054

The accompanying notes are an integral part of this statement.

FUNDS WITH BUDGET			SPECIAL REVENUE FUNDS WITHOUT BUDGET		
STREET LIGHTING	FIRE DEPARTMENT	SUBTOTAL	DRUG ENFORCEMENT FORFEITURE FUND	OTHER GRANT FUNDS	TOTAL
\$ 267	\$ 3,064,840	\$ 14,463,770	\$ -	\$ -	\$ 14,463,770
-	-	795,571	-	254,002	1,049,573
-	642	1,891,890	-	-	1,891,890
-	104,376	109,763	13,361	4,461	127,585
-	12,985	71,679	81,901	-	153,580
267	3,182,843	17,332,673	95,262	258,463	17,686,398
-	4,547,149	4,547,149	28,055	218,977	4,794,181
1,020,449	-	5,983,810	-	-	5,983,810
-	-	12,111	-	-	12,111
-	-	822,593	-	-	822,593
1,020,449	4,547,149	11,365,663	28,055	218,977	11,612,695
(1,020,182)	(1,364,306)	5,967,010	67,207	39,486	6,073,703
1,012,148	1,050,000	4,094,501	-	21,215	4,115,716
-	-	(10,858,683)	-	-	(10,858,683)
1,012,148	1,050,000	(6,764,182)	-	21,215	(6,742,967)
(8,034)	(314,306)	(797,172)	67,207	60,701	(669,264)
9,000	1,793,495	2,756,348	541,292	94,252	3,391,892
\$ 966	\$ 1,479,189	\$ 1,959,176	\$ 608,499	\$ 154,953	\$ 2,722,628



CITY OF KENNER  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - SPECIAL REVENUE  
FUNDS WITH ANNUAL BUDGETS - BUDGET AND ACTUAL  
Year Ended June 30, 2000

TOTAL - SPECIAL REVENUE FUNDS WITH ANNUAL BUDGETS					
	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES					
Taxes	\$ 14,463,770	\$ -	\$ 14,463,770	\$ 14,150,851	\$ 312,919
Intergovernmental	795,571	-	795,571	2,432,803	(1,637,232)
Charges for services	1,891,890	-	1,891,890	1,899,374	(7,484)
Interest	109,763	-	109,763	70,219	39,544
Miscellaneous	71,679	-	71,679	8,500	63,179
TOTAL REVENUES	17,332,673	-	17,332,673	18,561,747	(1,229,074)
EXPENDITURES					
Public safety	4,547,149	(489,628)	4,057,521	5,361,424	1,303,903
Public works	5,983,810	(197,218)	5,786,592	6,455,552	668,960
Culture and recreation	12,111	-	12,111	275,540	263,429
Urban development	822,593	370,270	1,192,863	2,033,427	840,564
TOTAL EXPENDITURES	11,365,663	(316,576)	11,049,087	14,125,943	3,076,856
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,967,010	316,576	6,283,586	4,435,804	1,847,782
OTHER FINANCING SOURCES (USES)					
Operating transfers in	4,094,501	-	4,094,501	4,437,673	(343,172)
Operating transfers out	(10,858,683)	-	(10,858,683)	(10,680,183)	(178,500)
TOTAL OTHER FINANCING SOURCES (USES)	(6,764,182)	-	(6,764,182)	(6,242,510)	(521,672)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	(797,172)	316,576	(480,596)	(1,806,706)	1,326,110
FUND BALANCE					
AT BEGINNING OF YEAR	2,756,348	(715,438)	2,040,910	2,040,910	-
AT END OF YEAR	\$ 1,959,176	\$ (398,862)	\$ 1,560,314	\$ 234,204	\$ 1,326,110

CITY OF KENNER, LOUISIANA  
SPECIAL REVENUE FUNDS - ONE PERCENT SALES TAX OF 1984 FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
Year Ended June 30, 2000

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Taxes					
Sales tax	<u>\$10,729,414</u>	<u>\$ -</u>	<u>\$ 10,729,414</u>	<u>\$10,550,914</u>	<u>\$ 178,500</u>
TOTAL REVENUES	<u>10,729,414</u>	<u>-</u>	<u>10,729,414</u>	<u>10,550,914</u>	<u>178,500</u>
EXPENDITURES					
Personnel	-	-	-	-	-
Supplies	-	-	-	-	-
Service charges	-	-	-	-	-
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>10,729,414</u>	<u>-</u>	<u>10,729,414</u>	<u>10,550,914</u>	<u>178,500</u>
OTHER FINANCING USES					
Operating transfers out	<u>(10,729,414)</u>	<u>-</u>	<u>(10,729,414)</u>	<u>(10,550,914)</u>	<u>(178,500)</u>
EXCESS OF REVENUES OVER EXPENDITURES AND OTHER FINANCING USES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE					
AT BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KENNER, LOUISIANA  
SPECIAL REVENUE FUNDS - COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Intergovernmental					
Community development					
block grants	\$ 612,444	\$ -	\$ 612,444	\$ 2,312,122	\$ (1,699,678)
Home program	183,127	-	183,127	120,681	62,446
Interest	132	-	132	469	(337)
Miscellaneous	58,071	-	58,071	-	58,071
TOTAL REVENUES	<u>853,774</u>	<u>-</u>	<u>853,774</u>	<u>2,433,272</u>	<u>(1,579,498)</u>
EXPENDITURES					
Public works	31,348	-	31,348	202,777	171,429
Culture and recreation	12,111	-	12,111	275,540	263,429
Urban development	822,593	370,270	1,192,863	2,033,427	840,564
TOTAL EXPENDITURES	<u>866,052</u>	<u>370,270</u>	<u>1,236,322</u>	<u>2,511,744</u>	<u>1,275,422</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(12,278)</u>	<u>(370,270)</u>	<u>(382,548)</u>	<u>(78,472)</u>	<u>(304,076)</u>
OTHER FINANCING SOURCES (USES)					
Operating transfers in	86,834	-	86,834	82,741	4,093
Operating transfers out	(129,269)	-	(129,269)	(129,269)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>(42,435)</u>	<u>-</u>	<u>(42,435)</u>	<u>(46,528)</u>	<u>4,093</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>(54,713)</u>	<u>(370,270)</u>	<u>(424,983)</u>	<u>(125,000)</u>	<u>(299,983)</u>
FUND BALANCE					
AT BEGINNING OF YEAR	<u>428,099</u>	<u>(315)</u>	<u>427,784</u>	<u>427,784</u>	<u>-</u>
AT END OF YEAR	<u>\$ 373,386</u>	<u>\$ (370,585)</u>	<u>\$ 2,801</u>	<u>\$ 302,784</u>	<u>\$ (299,983)</u>

CITY OF KENNER, LOUISIANA  
SPECIAL REVENUE FUNDS - COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL  
Year Ended June 30, 2000

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
EXPENDITURES					
Public Works					
Capital outlay	\$ 31,348	\$ -	\$ 31,348	\$ 202,777	\$ 171,429
TOTAL PUBLIC WORKS	31,348	-	31,348	202,777	171,429
Culture and Recreation					
Capital outlay	12,111	-	12,111	275,540	263,429
TOTAL CULTURE AND RECREATION	12,111	-	12,111	275,540	263,429
Urban Development					
Personnel	237,905	1,344	239,249	246,978	7,729
Supplies	2,007	(15)	1,992	2,356	364
Service charges	382,250	-	382,250	538,954	156,704
Capital outlay	200,431	368,941	569,372	1,245,139	675,767
TOTAL URBAN DEVELOPMENT	822,593	370,270	1,192,863	2,033,427	840,564
TOTAL EXPENDITURES	\$ 866,052	\$ 370,270	\$ 1,236,322	\$ 2,511,744	\$ 1,275,422

CITY OF KENNER, LOUISIANA  
SPECIAL REVENUE FUNDS - GARBAGE COLLECTION AND DISPOSAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Taxes					
Ad valorem tax	\$ 669,119	\$ -	\$ 669,119	\$ 644,800	\$ 24,319
Charges for services					
Garbage fees and penalties	1,891,248	-	1,891,248	1,898,674	(7,426)
Interest	5,255	-	5,255	6,750	(1,495)
TOTAL REVENUES	<u>2,565,622</u>	<u>-</u>	<u>2,565,622</u>	<u>2,550,224</u>	<u>15,398</u>
EXPENDITURES					
Public works					
Contractual services	3,608,510	-	3,608,510	3,757,459	148,949
TOTAL EXPENDITURES	<u>3,608,510</u>	<u>-</u>	<u>3,608,510</u>	<u>3,757,459</u>	<u>148,949</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,042,888)</u>	<u>-</u>	<u>(1,042,888)</u>	<u>(1,207,235)</u>	<u>164,347</u>
OTHER FINANCING SOURCES					
Operating transfers in	811,953	-	811,953	809,616	2,337
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	<u>(230,935)</u>	<u>-</u>	<u>(230,935)</u>	<u>(397,619)</u>	<u>166,684</u>
FUND BALANCE					
AT BEGINNING OF YEAR	<u>312,516</u>	<u>-</u>	<u>312,516</u>	<u>312,516</u>	<u>-</u>
AT END OF YEAR	<u>\$ 81,581</u>	<u>\$ -</u>	<u>\$ 81,581</u>	<u>\$ (85,103)</u>	<u>\$ 166,684</u>



CITY OF KENNER, LOUISIANA  
SPECIAL REVENUE FUNDS - ROADS AND BRIDGES FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<b>REVENUES</b>					
Taxes					
Ad valorem tax	\$ 130	\$ -	\$ 130	\$ -	\$ 130
Miscellaneous	623	-	623	-	623
TOTAL REVENUES	<u>753</u>	<u>-</u>	<u>753</u>	<u>-</u>	<u>753</u>
<b>EXPENDITURES</b>					
Public works					
Personnel	627,713	-	627,713	643,102	15,389
Supplies	472,280	(190,518)	281,762	329,342	47,580
Service charges	223,510	1,334	224,844	507,573	282,729
Capital outlay	-	-	-	-	-
TOTAL EXPENDITURES	<u>1,323,503</u>	<u>(189,184)</u>	<u>1,134,319</u>	<u>1,480,017</u>	<u>345,698</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,322,750)</u>	<u>189,184</u>	<u>(1,133,566)</u>	<u>(1,480,017)</u>	<u>346,451</u>
<b>OTHER FINANCING SOURCES</b>					
Operating transfers in	<u>1,133,566</u>	<u>-</u>	<u>1,133,566</u>	<u>1,480,017</u>	<u>(346,451)</u>
<b>EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES</b>	<u>(189,184)</u>	<u>189,184</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE</b>					
AT BEGINNING OF YEAR	<u>213,238</u>	<u>(213,238)</u>	<u>-</u>	<u>-</u>	<u>-</u>
AT END OF YEAR	<u>\$ 24,054</u>	<u>\$ (24,054)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KENNER, LOUISIANA  
SPECIAL REVENUE FUNDS - STREET LIGHTING FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Taxes					
Ad valorem tax	\$ 267	\$ -	\$ 267	\$ -	\$ 267
TOTAL REVENUES	<u>267</u>	<u>-</u>	<u>267</u>	<u>-</u>	<u>267</u>
EXPENDITURES					
Public works					
Personnel	114,623	-	114,623	117,293	2,670
Supplies	64,026	(3,575)	60,451	63,200	2,749
Service charges	841,800	(4,459)	837,341	834,806	(2,535)
TOTAL EXPENDITURES	<u>1,020,449</u>	<u>(8,034)</u>	<u>1,012,415</u>	<u>1,015,299</u>	<u>2,884</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,020,182)</u>	<u>8,034</u>	<u>(1,012,148)</u>	<u>(1,015,299)</u>	<u>3,151</u>
OTHER FINANCING SOURCES					
Operating transfers in	<u>1,012,148</u>	<u>-</u>	<u>1,012,148</u>	<u>1,015,299</u>	<u>(3,151)</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	<u>(8,034)</u>	<u>8,034</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE					
AT BEGINNING OF YEAR	<u>9,000</u>	<u>(9,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
AT END OF YEAR	<u>\$ 966</u>	<u>\$ (966)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF KENNER, LOUISIANA  
SPECIAL REVENUE FUNDS - FIRE DEPARTMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Taxes					
Ad valorem tax	\$ 3,064,840	\$ -	\$ 3,064,840	\$ 2,955,137	\$ 109,703
Service charges					
Fire reports	642	-	642	700	(58)
Interest	104,376	-	104,376	63,000	41,376
Miscellaneous	12,985	-	12,985	8,500	4,485
TOTAL REVENUES	<u>3,182,843</u>	<u>-</u>	<u>3,182,843</u>	<u>3,027,337</u>	<u>155,506</u>
EXPENDITURES					
Public safety					
Personnel	3,316,894	-	3,316,894	3,441,430	124,536
Supplies	119,199	(80,226)	38,973	114,800	75,827
Service charges	588,218	(3,529)	584,689	652,615	67,926
Capital outlay	522,838	(405,873)	116,965	1,152,579	1,035,614
TOTAL EXPENDITURES	<u>4,547,149</u>	<u>(489,628)</u>	<u>4,057,521</u>	<u>5,361,424</u>	<u>1,303,903</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,364,306)</u>	<u>489,628</u>	<u>(874,678)</u>	<u>(2,334,087)</u>	<u>1,459,409</u>
OTHER FINANCING SOURCES					
Operating transfers in	<u>1,050,000</u>	<u>-</u>	<u>1,050,000</u>	<u>1,050,000</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	<u>(314,306)</u>	<u>489,628</u>	<u>175,322</u>	<u>(1,284,087)</u>	<u>1,459,409</u>
FUND BALANCE					
AT BEGINNING OF YEAR	<u>1,793,495</u>	<u>(492,885)</u>	<u>1,300,610</u>	<u>1,300,610</u>	<u>-</u>
AT END OF YEAR	<u>\$ 1,479,189</u>	<u>\$ (3,257)</u>	<u>\$ 1,475,932</u>	<u>\$ 16,523</u>	<u>\$ 1,459,409</u>

(THIS PAGE LEFT BLANK INTENTIONALLY)

## DEBT SERVICE FUNDS

The Debt Service Funds are used to accumulate monies for the payment of principal, interest, and fiscal charges on the City of Kenner's general obligation, special tax bonds, and special assessment debt with governmental commitment.

### GENERAL DEBT FUND

The General Debt Fund accounts for the tax levy needed to comply with the interest and principal redemption requirements of bond indentures for the following paving certificates, excess revenue and sales tax bonds:

- Series A of 1990 - Paving Certificates
- Sales Tax Refunding Bonds Series 1992
- Sales Tax Bonds Series 1994
- Sales Tax Bonds Series 1995A
- Excess Revenue Bonds Series 1996A and 1996B

### AD VALOREM TAX BOND FUND

The Ad Valorem Tax Bond Fund accounts for the property tax levies needed to comply with the interest and principal redemption requirements of bond indentures for the following bonds:

- General Obligation Refunding Bonds Series 1992

### FIREMEN'S PENSION MERGER FUND

The Firemen's Pension Merger Fund accounts for the funding needed to comply with the interest and principal redemption requirements for the loan payable to the Statewide Firefighters Retirement System.



CITY OF KENNER, LOUISIANA  
DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2000

	GENERAL DEBT	AD VALOREM TAX BONDS	FIREMEN'S PENSION MERGER FUND	TOTAL
<b>ASSETS</b>				
Current assets				
Cash	\$ 14,086	\$ 210,269	\$ -	\$ 224,355
Equity in pooled cash and investments	470	4,829	33,866	39,165
Investments	5,893,205	-	-	5,893,205
Intergovernmental receivable	666,548	-	-	666,548
Special assessments receivable	-	-	-	-
Interest receivable	9,193	-	-	9,193
Due from other funds	10,813	108,520	-	119,333
<b>TOTAL ASSETS</b>	<b>\$ 6,594,315</b>	<b>\$ 323,618</b>	<b>\$ 33,866</b>	<b>\$ 6,951,799</b>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities				
Deferred revenue	\$ -	\$ 102,797	\$ -	\$ 102,797
<b>TOTAL LIABILITIES</b>	<b>-</b>	<b>102,797</b>	<b>-</b>	<b>102,797</b>
Fund balance				
Reserved for debt service	6,594,315	220,821	33,866	6,849,002
<b>TOTAL FUND BALANCE</b>	<b>6,594,315</b>	<b>220,821</b>	<b>33,866</b>	<b>6,849,002</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 6,594,315</b>	<b>\$ 323,618</b>	<b>\$ 33,866</b>	<b>\$ 6,951,799</b>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA  
DEBT SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
Year Ended June 30, 2000

	GENERAL DEBT	AD VALOREM TAX BONDS	FIREMEN'S PENSION MERGER FUND	TOTAL
REVENUES				
Taxes	\$ 3,641,929	\$ 279,912	\$ 141,232	\$ 4,063,073
Special assessments	29,271	-	-	29,271
Interest on invested funds	388,207	6,989	18,899	414,095
Miscellaneous	100,613	-	107,613	208,226
TOTAL REVENUES	4,160,020	286,901	267,744	4,714,665
EXPENDITURES				
Debt service				
Principal	3,292,445	205,000	31,047	3,528,492
Interest and fiscal charges	2,201,824	78,676	207,949	2,488,449
Agent fees	-	1,500	-	1,500
Miscellaneous	11,997	-	-	11,997
TOTAL EXPENDITURES	5,506,266	285,176	238,996	6,030,438
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,346,246)	1,725	28,748	(1,315,773)
OTHER FINANCING SOURCES (USES)				
Operating transfers in	1,226,597	-	-	1,226,597
Operating transfers out	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,226,597	-	-	1,226,597
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES	(119,649)	1,725	28,748	(89,176)
FUND BALANCE				
AT BEGINNING OF YEAR	6,713,964	219,096	5,118	6,938,178
AT END OF YEAR	\$ 6,594,315	\$ 220,821	\$ 33,866	\$ 6,849,002

The accompanying notes are an integral part of this statement.

CITY OF KENER, LOUISIANA  
DEBT SERVICE FUNDS - GENERAL DEBT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	ACTUAL	ADJUSTMENT TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES					
Taxes					
Sales tax	\$ 3,641,929	\$ -	\$ 3,641,929	\$3,860,549	\$ (218,620)
Special assessments	29,271	-	29,271	-	29,271
Interest on invested funds	388,207	-	388,207	341,110	47,097
Miscellaneous	100,613	(100,613)	-	-	-
TOTAL REVENUES	4,160,020	(100,613)	4,059,407	4,201,659	(142,252)
EXPENDITURES					
Debt service					
Principal	3,292,445	(63,173)	3,229,272	3,348,173	118,901
Interest	2,201,824	(37,440)	2,164,384	2,251,771	87,387
Miscellaneous	11,997	-	11,997	12,000	3
TOTAL EXPENDITURES	5,506,266	(100,613)	5,405,653	5,611,944	206,291
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,346,246)	-	(1,346,246)	(1,410,285)	64,039
OTHER FINANCING SOURCES (USES)					
Operating transfers in	1,226,597	-	1,226,597	1,497,400	(270,803)
Operating transfers out	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	1,226,597	-	1,226,597	1,497,400	(270,803)
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(119,649)	-	(119,649)	87,115	(206,764)
FUND BALANCE					
AT BEGINNING OF YEAR	6,713,964	-	6,713,964	6,713,964	-
AT END OF YEAR	\$ 6,594,315	\$ -	\$ 6,594,315	\$6,801,079	\$ (206,764)

CITY OF KENNER, LOUISIANA  
DEBT SERVICE FUNDS - AD VALOREM TAX BONDS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Taxes					
Ad Valorem tax	\$ 279,912	\$ -	\$ 279,912	\$ 268,865	\$ 11,047
Interest on invested funds	6,989	-	6,989	6,876	113
TOTAL REVENUES	<u>286,901</u>	<u>-</u>	<u>286,901</u>	<u>275,741</u>	<u>11,160</u>
EXPENDITURES					
Debt service					
Principal	205,000	-	205,000	205,000	-
Interest and fiscal charges	78,676	-	78,676	78,676	-
Agent fees	1,500	-	1,500	1,500	-
TOTAL EXPENDITURES	<u>285,176</u>	<u>-</u>	<u>285,176</u>	<u>285,176</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,725	-	1,725	(9,435)	11,160
FUND BALANCE					
AT BEGINNING OF YEAR	<u>219,096</u>	<u>-</u>	<u>219,096</u>	<u>219,096</u>	<u>-</u>
AT END OF YEAR	<u>\$ 220,821</u>	<u>\$ -</u>	<u>\$ 220,821</u>	<u>\$ 209,661</u>	<u>\$ 11,160</u>

CITY OF KENNER, LOUISIANA  
DEBT SERVICE FUNDS - FIREMEN'S PENSION MERGER FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
- BUDGET TO ACTUAL  
Year Ended June 30, 2000

	<u>ACTUAL</u>	<u>ADJUSTMENT TO BUDGETARY BASIS</u>	<u>BUDGETARY</u>	<u>BUDGET</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
REVENUES					
Taxes					
Ad Valorem tax	\$ 141,232	\$ -	\$ 141,232	\$ 134,066	\$ 7,166
Interest on invested funds	18,899	-	18,899	-	18,899
Miscellaneous	107,613	-	107,613	345,005	(237,392)
TOTAL REVENUES	<u>267,744</u>	<u>-</u>	<u>267,744</u>	<u>479,071</u>	<u>(211,327)</u>
EXPENDITURES					
Debt service					
Principal	31,047	-	31,047	268,258	237,211
Interest and fiscal charges	207,949	-	207,949	210,813	2,864
Agent fees	-	-	-	-	-
TOTAL EXPENDITURES	<u>238,996</u>	<u>-</u>	<u>238,996</u>	<u>479,071</u>	<u>240,075</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>28,748</u>	<u>-</u>	<u>28,748</u>	<u>-</u>	<u>28,748</u>
OTHER FINANCING SOURCES					
Operating transfers in	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	<u>28,748</u>	<u>-</u>	<u>28,748</u>	<u>-</u>	<u>28,748</u>
FUND BALANCE					
AT BEGINNING OF YEAR	<u>5,118</u>	<u>-</u>	<u>5,118</u>	<u>5,118</u>	<u>-</u>
AT END OF YEAR	<u>\$ 33,866</u>	<u>\$ -</u>	<u>\$ 33,866</u>	<u>\$ 5,118</u>	<u>\$ 28,748</u>

## CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for all resources and expenditures in connection with the acquisition, renovation and improvements of capital facilities other than those financed by proprietary funds.

### GENERAL CAPITAL PROJECT FUNDS

General Capital Projects Fund accounts for projects originally funded by the General Fund and the Wastewater Operations Fund. Also included are projects funded by riverboat fees.

### CAPITAL PROJECTS FUNDED WITH BOND PROCEEDS

Capital Projects Funded with Bond Proceeds accounts for projects originally funded by the 1987A Series Bond proceeds, the 1987B Series Bond proceeds and the 1988 Series Bond proceeds. These bonds were refunded by the Sales Tax Refunding Bonds, Series 1992. Also included are projects funded by loans from LDEQ and by proceeds from the Excess Revenue Bonds Series 1996A and 1996B.



CITY OF KENNER, LOUISIANA  
CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEET  
June 30, 2000

	GENERAL CAPITAL PROJECTS	CAPITAL PROJECTS FUNDED WITH BOND PROCEEDS	TOTAL
<b>ASSETS</b>			
Cash	\$ 684,206	\$ 309,432	\$ 993,638
Equity in pooled cash and investments	2,169,490	20,997	2,190,487
Investments	5,970,889	-	5,970,889
Receivables			
Intergovernmental	1,070,784	-	1,070,784
Interest	-	-	-
Other	493	-	493
Due from other funds	95,726	-	95,726
<b>TOTAL ASSETS</b>	<b>\$ 9,991,588</b>	<b>\$ 330,429</b>	<b>\$ 10,322,017</b>
<b>LIABILITIES AND FUND BALANCE</b>			
<b>Liabilities</b>			
Accounts payable	\$ 584,982	\$ -	\$ 584,982
Retainages payable	85,686	-	85,686
Due to other funds	202,925	12,943	215,868
Deferred revenue	250,000	-	250,000
<b>TOTAL LIABILITIES</b>	<b>1,123,593</b>	<b>12,943</b>	<b>1,136,536</b>
<b>Fund balance</b>			
Reserved for encumbrances	1,503,415	2,800	1,506,215
Unreserved			
Designated for capital additions and improvements	7,364,580	314,686	7,679,266
Undesignated	-	-	-
<b>TOTAL FUND BALANCE</b>	<b>8,867,995</b>	<b>317,486</b>	<b>9,185,481</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 9,991,588</b>	<b>\$ 330,429</b>	<b>\$ 10,322,017</b>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA  
CAPITAL PROJECTS FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
Year Ended June 30, 2000

	GENERAL CAPITAL PROJECTS	CAPITAL PROJECTS FUNDED WITH BOND PROCEEDS	TOTAL
REVENUES			
Intergovernmental	\$ 2,533,389	\$ -	\$ 2,533,389
Interest	387,580	7,302	394,882
Miscellaneous	30,000	-	30,000
	<u>2,950,969</u>	<u>7,302</u>	<u>2,958,271</u>
TOTAL REVENUES			
EXPENDITURES			
Capital outlay			
General government	442,650	2,027	444,677
Public safety	1,313,712	-	1,313,712
Public works	2,962,871	-	2,962,871
Health and welfare	-	-	-
Culture and recreation	1,025,117	101,933	1,127,050
	<u>5,744,350</u>	<u>103,960</u>	<u>5,848,310</u>
TOTAL EXPENDITURES			
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,793,381)</u>	<u>(96,658)</u>	<u>(2,890,039)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfer in	7,006,768	-	7,006,768
Operating transfers out	(1,420,788)	(7,315)	(1,428,103)
	<u>5,585,980</u>	<u>(7,315)</u>	<u>5,578,665</u>
TOTAL OTHER FINANCING SOURCES (USES)			
EXCESS (DEFICIENCY) OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	2,792,599	(103,973)	2,688,626
FUND BALANCE			
AT BEGINNING OF YEAR	<u>6,075,396</u>	<u>421,459</u>	<u>6,496,855</u>
AT END OF YEAR	<u>\$ 8,867,995</u>	<u>\$ 317,486</u>	<u>\$ 9,185,481</u>

The accompanying notes are an integral part of this statement.

(THIS PAGE LEFT BLANK INTENTIONALLY)

## ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

### DEPARTMENT OF WASTEWATER OPERATIONS FUND

The Department of Wastewater Operations Fund accounts for the sewer services provided to the residents of the City of Kenner. All activities necessary to provide such services are accounted for in this fund including, but not limited to, administration, operations, maintenance, financing, and related debt service and billing. Effective July 1, 1995, this department was privatized.

### CIVIC CENTER OPERATIONS FUND

The Civic Center Operations Fund accounts for the operations of the Pontchartrain Civic Center. Principal revenues of the fund are rental charges, commissions and governmental subsidies (hotel/motel taxes and cable television franchise fees).

CITY OF KENNER, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2000

	DEPARTMENT OF WASTEWATER OPERATIONS	CIVIC CENTER OPERATIONS	TOTAL
<b>ASSETS</b>			
Current assets			
Cash	\$ 153,364	\$ 301,317	\$ 454,681
Equity in pooled cash	-	428,413	428,413
Investments	-	825,558	825,558
Receivables (net, where applicable, of allowances for uncollectibles)			
Intergovernmental	-	81,163	81,163
Service charges	1,239,651	76,856	1,316,507
Other	-	179,076	179,076
Due from other funds	131,755	-	131,755
Prepaid expenses	296,819	19,596	316,415
Refundable deposits	3,669	-	3,669
<b>TOTAL CURRENT ASSETS</b>	<b>1,825,258</b>	<b>1,911,979</b>	<b>3,737,237</b>
Property, plant, and equipment			
Land and improvements	1,825,937	5,319,450	7,145,387
Buildings and improvements	74,948,900	16,470,931	91,419,831
Furniture and fixtures	151,167	3,096,671	3,247,838
Vehicles and field equipment	1,449,114	-	1,449,114
Construction in progress		50,183	50,183
	78,375,118	24,937,235	103,312,353
Less: accumulated depreciation	27,630,205	4,748,474	32,378,679
<b>NET PROPERTY, PLANT AND EQUIPMENT</b>	<b>50,744,913</b>	<b>20,188,761</b>	<b>70,933,674</b>
<b>TOTAL ASSETS</b>	<b>\$ 52,570,171</b>	<b>\$ 22,100,740</b>	<b>\$ 74,670,911</b>

The accompanying notes are an integral part of this statement.

	DEPARTMENT OF WASTEWATER OPERATIONS	CIVIC CENTER OPERATIONS	TOTAL
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities</b>			
Current liabilities			
Accounts payable	\$ 63,477	\$ 153,299	\$ 216,776
Retainage payable	-	-	-
Current portion of mortgage payable	1,972	-	1,972
Accrued liabilities	74,972	70,990	145,962
Deposits on future events	-	161,318	161,318
Due to other funds	299,464	-	299,464
Deferred revenue	122,102	25,176	147,278
<b>TOTAL CURRENT LIABILITIES</b>	<b>561,987</b>	<b>410,783</b>	<b>972,770</b>
Long-term liabilities			
Mortgage payable (net of current portion)	19,575	-	19,575
<b>TOTAL LONG TERM LIABILITIES</b>	<b>19,575</b>	<b>-</b>	<b>19,575</b>
<b>TOTAL LIABILITIES</b>	<b>581,562</b>	<b>410,783</b>	<b>992,345</b>
<b>Fund equity</b>			
Contributed capital			
Ad valorem tax bonds	6,346,000	-	6,346,000
Sales tax bonds	14,040,723	19,506,320	33,547,043
Excess revenue bonds	-	2,642,162	2,642,162
Federal government	32,416,765	-	32,416,765
State government	3,900,000	2,039,278	5,939,278
Municipal government	4,424,695	-	4,424,695
Rate payers	7,863,943	-	7,863,943
<b>TOTAL CONTRIBUTED CAPITAL</b>	<b>68,992,126</b>	<b>24,187,760</b>	<b>93,179,886</b>
Retained earnings (deficit)	(17,003,517)	(2,497,803)	(19,501,320)
<b>TOTAL FUND EQUITY</b>	<b>51,988,609</b>	<b>21,689,957</b>	<b>73,678,566</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 52,570,171</b>	<b>\$ 22,100,740</b>	<b>\$ 74,670,911</b>



CITY OF KENNER, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)  
Year Ended June 30, 2000

	DEPARTMENT OF WASTEWATER OPERATIONS	CIVIC CENTER OPERATIONS	TOTAL
OPERATING REVENUES			
Charges for services	\$ 4,179,266	\$ 1,218,705	\$ 5,397,971
Miscellaneous	6,370	2,081	8,451
TOTAL OPERATING REVENUES	4,185,636	1,220,786	5,406,422
OPERATING EXPENSES			
Personnel expenses	3,981	-	3,981
Supplies and other expenses	250	19,164	19,414
Building and maintenance expenses	6,038	409,695	415,733
Outside services	4,245,723	1,269,216	5,514,939
Transportation	-	-	-
Insurance premiums	-	54,960	54,960
General expenses			
Depreciation	1,707,253	615,962	2,323,215
Other	132,082	35,109	167,191
TOTAL OPERATING EXPENSES	6,095,327	2,404,106	8,499,433
OPERATING LOSS	(1,909,691)	(1,183,320)	(3,093,011)
NON-OPERATING REVENUES (EXPENSES)			
Ad valorem taxes	476,267	-	476,267
Hotel/motel taxes	-	322,825	322,825
Cable television franchise fees	-	684,562	684,562
Interest income	3,390	62,897	66,287
Interest expense	(8,855)	-	(8,855)
TOTAL NON-OPERATING REVENUES	470,802	1,070,284	1,541,086
NET LOSS BEFORE OPERATING TRANSFERS	(1,438,889)	(113,036)	(1,551,925)
OPERATING TRANSFERS			
Transfers in	-	-	-
NET LOSS	(1,438,889)	(113,036)	(1,551,925)
RETAINED EARNINGS (DEFICIT)			
AT BEGINNING OF YEAR	(15,564,628)	(2,384,767)	(17,949,395)
AT END OF YEAR	\$ (17,003,517)	\$ (2,497,803)	\$ (19,501,320)

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA  
ENTERPRISE FUND - WASTEWATER OPERATIONS  
SCHEDULE OF REVENUES AND CHANGES IN RETAINED EARNINGS (DEFICIT)  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	ACTUAL	ADJ. TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
OPERATING REVENUES					
Charges for services					
Sewerage service charges	\$ 4,179,266	\$ -	\$ 4,179,266	\$ 4,349,338	\$ (170,072)
Miscellaneous	6,370	-	6,370	250	6,120
TOTAL OPERATING REVENUES	4,185,636	-	4,185,636	4,349,588	(163,952)
OPERATING EXPENSES					
Personnel expenses	3,981	-	3,981	56,254	52,273
Supplies and other expense	250	-	250	7,200	6,950
Building and maintenance expenses	6,038	-	6,038	50,797	44,759
Outside services	4,245,723	-	4,245,723	4,788,775	543,052
Transportation	-	-	-	-	-
General expenses					
Depreciation	1,707,253	(1,707,253)	-	-	-
Other	132,082	(145,577)	(13,495)	494,317	507,812
TOTAL OPERATING EXPENSES	6,095,327	(1,852,830)	4,242,497	5,397,343	1,154,846
OPERATING INCOME (LOSS)	(1,909,691)	1,852,830	(56,861)	(1,047,755)	990,894
NON-OPERATING REVENUES (EXPENSES)					
Ad valorem taxes	476,267	-	476,267	459,212	17,055
Interest income	3,390	-	3,390	4,074	(684)
Interest expense	(8,855)	-	(8,855)	(12,172)	3,317
TOTAL NON-OPERATING REVENUES	470,802	-	470,802	451,114	19,688
NET INCOME (LOSS) BEFORE OPERATING TRANSFERS	(1,438,889)	1,852,830	413,941	(596,641)	1,010,582
OPERATING TRANSFERS					
Transfers in	-	-	-	-	-
NET LOSS	(1,438,889)	1,852,830	413,941	(596,641)	1,010,582
RETAINED EARNINGS (DEFICIT)					
AT BEGINNING OF YEAR	(15,564,628)	16,921,596	1,356,968	1,356,968	-
AT END OF YEAR	<u>\$ (17,003,517)</u>	<u>\$ 18,774,426</u>	<u>\$ 1,770,909</u>	<u>\$ 760,327</u>	<u>\$ 1,010,582</u>

CITY OF KENNER  
ENTERPRISE FUND - CIVIC CENTER OPERATIONS  
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)  
- BUDGET AND ACTUAL  
Year Ended June 30, 2000

	ACTUAL	ADI. TO BUDGETARY BASIS	BUDGETARY	BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b>OPERATING REVENUES</b>					
Charges for services					
Rental charges	\$ 697,736	\$ -	\$ 697,736	\$ 687,000	\$ 10,736
Parking	55,564	-	55,564	56,000	(436)
Concessions	60,520	-	60,520	61,500	(980)
Catering	98,110	-	98,110	72,000	26,110
Miscellaneous	7,447	-	7,447	8,500	(1,053)
Electrical	66,515	-	66,515	73,000	(6,485)
Reimbursed services	154,679	-	154,679	174,000	(19,321)
Advertising	29,750	-	29,750	25,000	4,750
Security	48,384	-	48,384	42,000	6,384
<b>TOTAL CHARGES FOR SERVICES</b>	<b>1,218,705</b>	<b>-</b>	<b>1,218,705</b>	<b>1,199,000</b>	<b>19,705</b>
Miscellaneous	2,081	-	2,081	2,250	(169)
<b>TOTAL OPERATING REVENUES</b>	<b>1,220,786</b>	<b>-</b>	<b>1,220,786</b>	<b>1,201,250</b>	<b>19,536</b>
<b>OPERATING EXPENSES</b>					
Supplies and other expenses	19,164	-	19,164	26,240	7,076
Building and maintenance expense	409,695	-	409,695	458,000	48,305
Outside services	1,269,216	-	1,269,216	1,233,820	(35,396)
Insurance premiums	54,960	-	54,960	66,600	11,640
General expenses					
Depreciation	615,962	(615,962)	-	-	-
Other	35,109	-	35,109	-	(35,109)
<b>TOTAL OPERATING EXPENSES</b>	<b>2,404,106</b>	<b>(615,962)</b>	<b>1,788,144</b>	<b>1,784,660</b>	<b>(3,484)</b>
<b>OPERATING LOSS</b>	<b>(1,183,320)</b>	<b>615,962</b>	<b>(567,358)</b>	<b>(583,410)</b>	<b>16,052</b>
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Hotel/motel taxes	322,825	-	322,825	328,947	(6,122)
Cable television franchise fees	684,562	-	684,562	480,272	204,290
Interest income	62,897	-	62,897	24,120	38,777
Interest expense	-	-	-	-	-
<b>TOTAL NON-OPERATING REVENUES</b>	<b>1,070,284</b>	<b>-</b>	<b>1,070,284</b>	<b>833,339</b>	<b>236,945</b>
<b>NET INCOME (LOSS)</b>	<b>(113,036)</b>	<b>615,962</b>	<b>502,926</b>	<b>249,929</b>	<b>252,997</b>
<b>RETAINED EARNINGS (DEFICIT)</b>					
AT BEGINNING OF YEAR	(2,384,767)	4,132,512	1,747,745	1,747,745	-
AT END OF YEAR	<u>\$ (2,497,803)</u>	<u>\$ 4,748,474</u>	<u>\$ 2,250,671</u>	<u>\$ 1,997,674</u>	<u>\$ 252,997</u>

CITY OF KENNER, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
Year Ended June 30, 2000

	DEPARTMENT OF WASTEWATER OPERATIONS	CIVIC CENTER OPERATIONS	TOTAL
Increase (decrease) in cash and cash equivalents:			
Cash flows from operating activities:			
Operating (loss)	\$ (1,909,691)	\$ (1,183,320)	\$ (3,093,011)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	1,707,253	615,962	2,323,215
Change in current assets (increase) decrease:			
Receivables	3,831	(54,608)	(50,777)
Due from other funds	108,641	-	108,641
Intergovernmental	-	42,081	42,081
Prepaid expenses	(296,819)	20,649	(276,170)
Change in current liabilities increase (decrease):			
Accounts payable	15,757	(23,722)	(7,965)
Retainage payable	(17,651)	-	(17,651)
Deferred revenue	2,335	24,792	27,127
Accrued liabilities	72,284	12,459	84,743
Due to other funds	182,888	-	182,888
Deposits on future events	-	13,321	13,321
Compensated absences	(2,117)	-	(2,117)
TOTAL ADJUSTMENTS	1,776,402	650,934	2,427,336
Net cash provided by (used for) operating activities	(133,289)	(532,386)	(665,675)
Cash flows from noncapital financing activities:			
Ad valorem taxes	476,267	-	476,267
Hotel/motel taxes	-	322,825	322,825
Cable television franchise fees	-	684,562	684,562
Net cash provided by noncapital financing activities	476,267	1,007,387	1,483,654

(Continued)

CITY OF KENNER, LOUISIANA  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS (CONTINUED)  
Year Ended June 30, 2000

	DEPARTMENT OF WASTEWATER OPERATIONS	CIVIC CENTER OPERATIONS	TOTAL
Cash flows from capital and related financing activities:			
Principal payments - mortgage payable	\$ (1,966)	\$ -	\$ (1,966)
Interest payments	(8,855)	-	(8,855)
Acquisition of property, plant, and equipment	(310,138)	(146,072)	(456,210)
Net cash provided by (used for) capital and related financing activities	(320,959)	(146,072)	(467,031)
Cash flows from investing activities:			
Purchase of investment securities	-	(825,558)	(825,558)
Interest received	3,390	62,897	66,287
Net cash provided by investing activities	3,390	(762,661)	(759,271)
Net increase (decrease) in cash and cash equivalents	25,409	(433,732)	(408,323)
Cash and cash equivalents, beginning of year	127,955	1,163,462	1,291,417
Cash and cash equivalents, end of year	<u>\$ 153,364</u>	<u>\$ 729,730</u>	<u>\$ 883,094</u>
Reconciliation to balance sheet accounts:			
Cash	\$ 153,364	\$ 301,317	\$ 454,681
Equity in pooled cash and investments	-	428,413	428,413
Cash and cash equivalents, end of year	<u>\$ 153,364</u>	<u>\$ 729,730</u>	<u>\$ 883,094</u>
Noncash investing, capital, and financing activities:			
Contributions of capital	\$ -	\$ -	\$ -
Acquisitions of property, plant, and equipment through capital contributions	-	-	-
Net effect of noncash activities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of this statement.

## INTERNAL SERVICE FUNDS

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

### SELF-INSURANCE FUND

The Self-Insurance Fund accounts for monies accumulated to provide automobile property damage and worker's compensation for which the City is self-insured.

### HEALTH INSURANCE FUND

The Health Insurance Fund accounts for monies accumulated to pay the health insurance premiums.



CITY OF KENNER, LOUISIANA  
INTERNAL SERVICE FUNDS  
COMBINING BALANCE SHEET  
June 30, 2000

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
<b>ASSETS</b>			
Cash	\$ 524,857	\$ 261,068	\$ 785,925
Investments	4,591,237	-	4,591,237
Receivables (net, where applicable, of allowances for uncollectibles)			
Accounts	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 5,116,094</b>	<b>\$ 261,068</b>	<b>\$ 5,377,162</b>
<b>LIABILITIES AND FUND EQUITY</b>			
<b>Liabilities</b>			
Accounts payable	\$ 670,483	\$ 3,000	\$ 673,483
Estimated claims payable	2,736,793	-	2,736,793
Due to other funds	-	4,344	4,344
<b>TOTAL LIABILITIES</b>	<b>3,407,276</b>	<b>7,344</b>	<b>3,414,620</b>
<b>Fund equity</b>			
Retained earnings	1,708,818	253,724	1,962,542
<b>TOTAL FUND EQUITY</b>	<b>1,708,818</b>	<b>253,724</b>	<b>1,962,542</b>
<b>TOTAL LIABILITIES AND FUND EQUITY</b>	<b>\$ 5,116,094</b>	<b>\$ 261,068</b>	<b>\$ 5,377,162</b>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
Year Ended June 30, 2000

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
OPERATING REVENUES			
Charges for services	\$ 1,990,677	\$ 2,510,670	\$ 4,501,347
OPERATING EXPENSES			
Outside services	869,332	-	869,332
Insurance claims	844,208	-	844,208
Insurance premiums	-	2,441,538	2,441,538
TOTAL OPERATING EXPENSES	1,713,540	2,441,538	4,155,078
OPERATING INCOME (LOSS)	277,137	69,132	346,269
NON-OPERATING REVENUE			
Interest revenue	235,073	5,545	240,618
TOTAL NON-OPERATING REVENUE	235,073	5,545	240,618
NET INCOME (LOSS)	512,210	74,677	586,887
RETAINED EARNINGS			
AT BEGINNING OF YEAR	1,196,608	179,047	1,375,655
AT END OF YEAR	\$ 1,708,818	\$ 253,724	\$ 1,962,542

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA  
INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
Year Ended June 30, 2000

	SELF- INSURANCE FUND	HEALTH INSURANCE FUND	TOTAL
INCREASE IN CASH AND CASH EQUIVALENTS:			
Cash flows from operating activities:			
Operating income (loss)	\$ 277,137	\$ 69,132	\$ 346,269
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Change in assets and liabilities:			
Increase in accounts receivable	154,877	-	154,877
Increase(Decrease) in accounts payable	(97,953)	3,000	(94,953)
Increase in accrued expenses	369,605	-	369,605
Increase in due to other funds	-	600	600
Total adjustments	426,529	3,600	430,129
Net cash provided by operating activities	703,666	72,732	776,398
Cash flows from investing activities:			
Purchases of investment securities	(16,833,235)	-	(16,833,235)
Proceeds from maturities of investments	15,899,592	-	15,899,592
Interest received	216,549	5,545	222,094
Net cash provided by (used for) investing activities	(717,094)	5,545	(711,549)
Net increase (decrease) in cash and cash equivalents	(13,428)	78,277	64,849
Cash and cash equivalents, at beginning of year	538,285	182,791	721,076
Cash and cash equivalents, at end of year	\$ 524,857	\$ 261,068	\$ 785,925

The accompanying notes are an integral part of this statement.

## FIDUCIARY FUNDS

Trust funds are used to account for assets held by the government in a trustee capacity. Agency funds are used to account for assets held by the government as an agent for individual, private organizations, other governments and/or other funds.

### FIREMEN'S PENSION AND RELIEF FUND

The Firemen's Pension and Relief Fund accounts for the accumulation of resources to be used for the retirement annuity payments at appropriate amounts and times in the future.

### AD VALOREM TAX COLLECTION FUND

The Ad Valorem Tax Collection Fund accounts for property taxes billed and collected on behalf of all funds of the City.

### AIRPORT SALES TAX FUND

The Airport Sales Tax Fund is used to account for the proceeds of sales taxes generated from a special 2% sales tax assessed within the Airport Taxing District, and to distribute to the appropriate taxing bodies.

CITY OF KENNER, LOUISIANA  
FIDUCIARY FUNDS  
COMBINING BALANCE SHEET  
June 30, 2000

	<u>PENSION TRUST FUND</u>
	<u>FIREMEN'S PENSION AND RELIEF</u>
ASSETS	
Cash	\$     8,999
Equity in pooled cash and investments	-
Investments	983,899
Receivables (net, where applicable, of allowance for uncollectibles)	
Ad valorem taxes	-
Intergovernmental	-
Interest	6,901
Other	60
Prepaid expenses	<u>4,971</u>
TOTAL ASSETS	<u><u>\$  1,004,830</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	\$     1,800
Due to other funds	-
Due to other governments	-
Refunds payable	<u>-</u>
TOTAL LIABILITIES	<u>1,800</u>
Fund balance reserved for employees' pension benefits	<u>1,003,030</u>
TOTAL FUND BALANCE	<u>1,003,030</u>
TOTAL LIABILITIES AND FUND BALANCE	<u><u>\$  1,004,830</u></u>

The accompanying notes are an integral part of this statement.

# AGENCY FUNDS

AD VALOREM TAX COLLECTION	AIRPORT SALES TAX FUND	TOTAL
\$ 126,397	\$ -	\$ 135,396
-	1	1
-	-	983,899
1,351,566	-	1,351,566
-	300,594	300,594
-	-	6,901
-	-	60
-	-	4,971
<u>\$ 1,477,963</u>	<u>\$ 300,595</u>	<u>\$ 2,783,388</u>
\$ -	\$ -	\$ 1,800
1,477,843	100,199	1,578,042
-	200,396	200,396
120	-	120
<u>1,477,963</u>	<u>300,595</u>	<u>1,780,358</u>
-	-	1,003,030
-	-	1,003,030
<u>\$ 1,477,963</u>	<u>\$ 300,595</u>	<u>\$ 2,783,388</u>



CITY OF KENNER, LOUISIANA  
PENSION TRUST FUND  
STATEMENT OF CHANGES IN PLAN NET ASSETS  
Year Ended June 30, 2000

	FIREMEN'S PENSION AND RELIEF
ADDITIONS	
Investment Income:	
Net depreciation in fair value	\$ (59,566)
Interest	49,442
Dividends	10,158
	<hr/>
Total Investment Income	34
Less Investment Expense	8,367
	<hr/>
Net Investment Income	(8,333)
	<hr/>
DEDUCTIONS	
Transfer of plan assets to the Statewide	
Firefighters Retirement System	103,603
Refunds to terminated employees	816
Continued service incentive	25,323
Administrative expenses	17,010
	<hr/>
TOTAL DEDUCTIONS	146,752
	<hr/>
NET DECREASE	(155,085)
NET ASSETS HELD IN TRUST FOR PENSION BENEFITS	
AT BEGINNING OF YEAR	1,158,115
	<hr/>
AT END OF YEAR	\$ 1,003,030
	<hr/> <hr/>

The accompanying notes are an integral part of this statement.

CITY OF KENNER, LOUISIANA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS  
 Year Ended June 30, 2000

AD VALOREM TAX COLLECTION FUND

	<u>BALANCE JULY 1, 1999</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2000</u>
<b>ASSETS</b>				
Cash	\$ 136,444	\$ 5,345,711	\$ 5,355,758	\$ 126,397
Ad valorem taxes receivable	<u>1,306,051</u>	<u>5,503,590</u>	<u>5,458,075</u>	<u>1,351,566</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 1,442,495</u></u>	<u><u>\$ 10,849,301</u></u>	<u><u>\$ 10,813,833</u></u>	<u><u>\$ 1,477,963</u></u>
<b>LIABILITIES</b>				
Accounts payable	\$ -			-
Due to other funds	1,389,552	5,428,730	5,340,439	1,477,843
Refunds payable	<u>52,943</u>	<u>-</u>	<u>52,823</u>	<u>120</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 1,442,495</u></u>	<u><u>\$ 5,428,730</u></u>	<u><u>\$ 5,393,262</u></u>	<u><u>\$ 1,477,963</u></u>

AIRPORT SALES TAX FUND

	<u>BALANCE JULY 1, 1999</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE JUNE 30, 2000</u>
<b>ASSETS</b>				
Equity in pooled cash and investments	\$ 1	\$ -	\$ -	\$ 1
Due from other governments	<u>301,787</u>	<u>300,594</u>	<u>301,787</u>	<u>300,594</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 301,788</u></u>	<u><u>\$ 300,594</u></u>	<u><u>\$ 301,787</u></u>	<u><u>\$ 300,595</u></u>
<b>LIABILITIES</b>				
Due to other funds	\$ 100,596	\$ 100,198	\$ 100,595	\$ 100,199
Due to other governments	<u>201,192</u>	<u>200,396</u>	<u>201,192</u>	<u>200,396</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 301,788</u></u>	<u><u>\$ 300,594</u></u>	<u><u>\$ 301,787</u></u>	<u><u>\$ 300,595</u></u>

(Continued)

CITY OF KENNER, LOUISIANA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - ALL AGENCY FUNDS (CONTINUED)  
 Year Ended June 30, 2000

TOTALS - ALL AGENCY FUNDS				
	BALANCE JULY 1, 1999	ADDITIONS	DEDUCTIONS	BALANCE JUNE 30, 2000
ASSETS				
Cash	\$ 136,444	\$ 5,345,711	\$ 5,355,758	\$ 126,397
Equity in pooled cash and investments	1	-	-	1
Ad valorem taxes receivable	1,306,051	5,503,590	5,458,075	1,351,566
Due from other governments	301,787	300,594	301,787	300,594
<b>TOTAL ASSETS</b>	<b>\$ 1,744,283</b>	<b>\$ 11,149,895</b>	<b>\$ 11,115,620</b>	<b>\$ 1,778,558</b>
LIABILITIES				
Accounts payable	\$ -	\$ -	\$ -	\$ -
Due to other funds	1,490,148	5,528,928	5,441,034	1,578,042
Due to other governments	201,192	200,396	201,192	200,396
Refunds payable	52,943	-	52,823	120
<b>TOTAL LIABILITIES</b>	<b>\$ 1,744,283</b>	<b>\$ 5,729,324</b>	<b>\$ 5,695,049</b>	<b>\$ 1,778,558</b>

The accompanying notes are an integral part of this statement.

## GENERAL FIXED ASSETS ACCOUNT GROUP

The General Fixed Assets Account Group is used to account for fixed assets which are not used in Proprietary Fund operations or accounted for in Trust Funds.

CITY OF KENNER, LOUISIANA  
SCHEDULE OF GENERAL FIXED ASSETS - BY SOURCES  
June 30, 2000

GENERAL FIXED ASSETS

Land	\$ 11,790,313
Buildings	16,090,762
Improvements other than buildings	37,922,757
Furniture, fixtures and equipment	13,087,320
Vehicles	12,437,931
Construction in progress	9,435,656

TOTAL GENERAL FIXED ASSETS	\$ 100,764,739
----------------------------	----------------

INVESTMENT IN GENERAL FIXED ASSETS FROM

General fund revenues	\$ 41,358,502
General obligation bonds and notes	17,851,797
Federal grants	11,458,162
State grants	1,223,850
Parish grants	263,000
Gifts	638,662
Special assessments	15,072,274
Riverboat fees	12,898,492

TOTAL INVESTMENT IN GENERAL FIXED ASSETS	\$ 100,764,739
--	----------------

CITY OF KENNER, LOUISIANA  
SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY  
June 30, 2000

<u>FUNCTION AND ACTIVITY</u>	<u>LAND</u>	<u>BUILDINGS</u>	<u>IMPROVEMENTS OTHER THAN BUILDINGS</u>	<u>FURNITURE FIXTURES &amp; EQUIPMENT</u>	<u>VEHICLES</u>	<u>TOTAL</u>
General government						
Administration	\$ 4,191,205	\$ 1,599,735	\$ 4,463,892	\$ 780,563	\$ 85,661	\$ 11,121,056
Elected officials	-	-	23,178	570,287	276,061	869,526
Clerk of Court	-	-	1,244	80,302	-	81,546
Planning and zoning	-	-	13,927	57,600	-	71,527
Total General Government	4,191,205	1,599,735	4,502,241	1,488,752	361,722	12,143,655
Public safety	1,537,288	4,087,450	1,172,620	9,081,176	9,498,771	25,377,305
Public works	189,683	95,252	23,082,331	2,087,548	2,299,255	27,754,069
Health and welfare	146,950	216,470	-	31,071	-	394,491
Culture and recreation	5,528,862	8,767,305	8,447,764	307,289	192,740	23,243,960
Transit and urban development	196,325	1,324,550	717,801	91,484	85,443	2,415,603
Total General Fixed Assets Allocated to Functions	<u>\$11,790,313</u>	<u>\$16,090,762</u>	<u>\$ 37,922,757</u>	<u>\$ 13,087,320</u>	<u>\$12,437,931</u>	<u>\$ 91,329,083</u>
Construction in progress						<u>9,435,656</u>
TOTAL GENERAL FIXED ASSETS						<u>\$ 100,764,739</u>



CITY OF KENNER, LOUISIANA  
SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION AND ACTIVITY  
Year Ended June 30, 2000

FUNCTION AND ACTIVITY	GENERAL FIXED ASSETS 7/01/99	ADDITIONS	DEDUCTIONS & DEPARTMENTAL TRANSFERS	GENERAL FIXED ASSETS 6/30/00
General government				
Administration	\$ 7,415,811	\$ 39,788	\$ (3,665,457)	\$ 11,121,056
Elected officials	267,282	213,014	(389,230)	869,526
Clerk of court	114,976	27,923	61,353	81,546
Planning and zoning	206,276	16,286	151,035	71,527
Total General Government	8,004,345	297,011	(3,842,299)	12,143,655
Public safety	22,267,649	2,987,010	(122,646)	25,377,305
Public works	27,844,541	603,817	694,289	27,754,069
Health and welfare	725,592	152	331,253	394,491
Culture and recreation	28,171,891	1,060,795	5,988,726	23,243,960
Transit and urban development	2,643,502	30,929	258,828	2,415,603
Total General Fixed Assets Allocated to Functions	89,657,520	4,979,714	3,308,151	91,329,083
Construction in progress	8,018,938	3,263,098	1,846,380	9,435,656
TOTAL GENERAL FIXED ASSETS	\$ 97,676,458	\$ 8,242,812	\$ 5,154,531	\$ 100,764,739

## GENERAL LONG-TERM DEBT ACCOUNT GROUP

The General Long-Term Debt Account Group records the general obligation bonds and other forms of long-term debt supported by general revenues that are obligations of a governmental unit as a whole and not its individual constituent funds.

CITY OF KENNER, LOUISIANA  
SCHEDULE OF GENERAL LONG-TERM DEBT  
June 30, 2000

Amount Available and to be Provided  
for the Payment of Long-Term Debt

SERIAL BONDS

Amount available in Debt Service Funds \$ 6,815,133

Amount to be provided for retirement of general obligation,  
special tax bonds, and special assessment debt with  
governmental commitment 34,724,867

Total available and to be provided for serial bond retirement 41,540,000

NOTES PAYABLE

Amount available in Debt Service Fund 33,866

Amount to be provided from governmental funds 2,892,882

Total available and to be provided for notes payable 2,926,748

COMPENSATED ABSENCES PAYABLE

Amount to be provided from governmental funds 2,072,221

CAPITAL LEASES PAYABLE

Amount to be provided from governmental funds 510,000

Total amount available and to be provided \$ 47,048,969

General Long-Term Debt Payable

SERIAL BONDS PAYABLE

General obligation and special tax bonds \$ 41,540,000

NOTES PAYABLE 2,926,748

COMPENSATED ABSENCES PAYABLE 2,072,221

CAPITAL LEASES PAYABLE 510,000

Total general long-term debt payable \$ 47,048,969

## STATISTICAL SECTION

CITY OF KENNER, LOUISIANA  
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)  
LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>FISCAL YEAR</u>	<u>GENERAL GOVERNMENT</u>	<u>PERCENT OF TOTAL</u>	<u>PUBLIC SAFETY</u>	<u>PERCENT OF TOTAL</u>	<u>PUBLIC WORKS</u>	<u>PERCENT OF TOTAL</u>	<u>HEALTH AND WELFARE</u>	<u>PERCENT OF TOTAL</u>
1991	\$ 5,424,682	18.3	\$ 9,744,152	32.9	\$ 4,467,740	15.1	\$ 547,913	1.8
1992	6,959,069	21.9	9,494,864	29.9	4,741,457	14.9	609,521	1.9
1993	6,052,019	18.8	10,004,115	31.1	5,083,300	15.8	634,838	2.0
1994	6,150,179	19.2	11,342,251	35.4	5,432,066	16.9	626,316	2.0
1995	7,355,756	21.0	12,406,268	35.5	5,868,997	16.8	609,811	1.7
1996	8,772,634	21.4	15,896,297	38.7	6,206,314	15.1	701,860	1.7
1997	8,282,770	18.2	17,268,441	38.0	6,933,135	15.3	764,698	1.7
1998	8,148,929	18.4	16,539,725	37.3	6,862,236	15.5	769,305	1.7
1999	7,718,928	16.1	20,823,712	43.3	7,062,176	14.7	789,516	1.6
2000	8,007,147	14.7	24,260,970	44.5	10,457,925	19.2	562,850	1.0

(1) Includes General, Special Revenue Funded with Taxes and Debt Service Funds.

<u>CULTURE AND RECREATION</u>	<u>PERCENT OF TOTAL</u>	<u>TRANSIT</u>	<u>PERCENT OF TOTAL</u>	<u>DEBT SERVICE</u>	<u>PERCENT OF TOTAL</u>	<u>MISCEL- LANEOUS</u>	<u>PERCENT OF TOTAL</u>	<u>TOTAL</u>	<u>PERCENT OF TOTAL</u>
\$ 3,131,412	10.6	\$ 370,830	1.3	\$ 4,687,944	15.8	\$ 1,287,275	4.3	\$ 29,661,948	100.0
3,422,618	10.8	447,001	1.4	4,836,827	15.2	1,215,427	3.8	31,726,784	100.0
2,808,260	8.7	386,300	1.2	5,914,097	18.4	1,296,067	4.0	32,178,996	100.0
2,664,041	8.3	352,921	1.1	4,172,086	13.0	1,325,103	4.1	32,064,963	100.0
2,992,872	8.6	391,628	1.1	3,903,810	11.2	1,450,042	4.1	34,979,184	100.0
3,170,484	7.7	344,149	.9	4,319,384	10.5	1,628,349	4.0	41,039,471	100.0
3,332,990	7.3	408,919	.9	6,878,206	15.1	1,566,591	3.4	45,435,750	100.0
3,859,815	8.7	408,806	.9	5,814,389	13.1	1,944,224	4.4	44,347,429	100.0
3,862,742	8.0	436,047	.9	5,825,965	12.1	1,546,418	3.2	48,065,504	100.0
3,151,513	5.8	398,474	.7	6,030,438	11.1	1,674,621	3.1	54,543,938	100.0



CITY OF KENNER, LOUISIANA  
GENERAL GOVERNMENT EXPENDITURES BY OBJECT CLASS (1)  
LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>FISCAL YEAR</u>	<u>PERSONNEL SERVICES</u>	<u>PERCENT OF TOTAL</u>	<u>SUPPLIES</u>	<u>PERCENT OF TOTAL</u>	<u>SERVICE CHARGES</u>	<u>PERCENT OF TOTAL</u>
1991	\$ 13,184,843	44.5	\$ 1,182,805	4.0	\$ 9,885,847	33.3
1992	13,531,586	42.7	1,189,214	3.7	11,281,678	35.6
1993	13,856,231	43.1	1,612,958	5.0	9,907,774	30.8
1994	14,359,353	44.8	1,466,075	4.6	10,097,822	31.5
1995	15,531,624	44.4	1,600,026	4.6	11,876,714	34.0
1996	17,085,934	41.6	1,785,418	4.4	13,245,138	32.3
1997	18,224,696	40.1	1,971,065	4.3	13,036,954	28.7
1998	19,721,760	44.5	2,062,214	4.7	13,540,666	30.5
1999	20,457,895	42.6	2,122,520	4.4	13,854,259	28.8
2000	21,292,115	39.0	2,415,603	4.4	15,254,497	28.0

(1) Includes General, Special Revenue Funded with Taxes and Debt Service Funds.

<u>CAPITAL OUTLAY</u>	<u>PERCENT OF TOTAL</u>	<u>DEBT SERVICE</u>	<u>PERCENT OF TOTAL</u>	<u>TOTAL</u>	<u>PERCENT OF TOTAL</u>
\$ 720,509	2.4	\$ 4,687,944	15.8	\$ 29,661,948	100.0
887,479	2.8	4,836,827	15.2	31,726,784	100.0
887,936	2.8	5,914,097	18.4	32,178,996	100.0
1,969,627	6.1	4,172,086	13.0	32,064,963	100.0
2,067,010	5.9	3,903,810	11.2	34,979,184	100.0
4,603,597	11.2	4,319,384	10.5	41,039,471	100.0
5,324,829	11.7	6,878,206	15.1	45,435,750	100.0
3,208,400	7.2	5,814,389	13.1	44,347,429	100.0
5,804,865	12.1	5,825,965	12.1	48,065,504	100.0
9,551,285	17.5	6,030,438	11.1	54,543,938	100.0

CITY OF KENNER, LOUISIANA  
GENERAL GOVERNMENT REVENUES BY SOURCE (1)  
LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>FISCAL YEAR</u>	<u>TAXES</u>	<u>PERCENT OF TOTAL</u>	<u>LICENSES AND PERMITS</u>	<u>PERCENT OF TOTAL</u>	<u>INTER- GOVERNMENTAL</u>	<u>PERCENT OF TOTAL</u>	<u>CHARGES FOR SERVICES</u>	<u>PERCENT OF TOTAL</u>
1991	\$ 21,466,867	75.3	\$ 1,698,454	6.0	\$ 2,298,138	8.1	\$ 1,173,057	4.1
1992	23,441,033	81.2	1,848,219	6.4	891,987	3.1	1,172,666	4.1
1993	24,967,084	80.8	1,963,613	6.4	1,402,234	4.5	1,181,214	3.8
1994	27,960,448	81.7	2,183,193	6.4	1,252,423	3.7	1,200,022	3.5
1995	38,610,266	84.1	2,226,695	4.9	1,754,334	3.8	1,289,866	2.8
1996	41,195,517	82.9	2,371,946	4.8	1,856,581	3.7	1,484,513	3.0
1997	40,676,884	82.1	2,341,273	4.7	2,286,365	4.6	1,627,833	3.3
1998	41,957,832	81.5	2,363,845	4.6	2,623,098	5.1	1,646,482	3.2
1999	44,617,388	82.0	2,399,576	4.4	2,366,336	4.3	1,736,289	3.2
2000	45,269,789	80.6	2,444,269	4.4	2,181,274	3.9	2,385,983	4.2

(1) Includes General, Special Revenue Funded with Taxes and Debt Service Funds.

(2) Interest prior to 1991 is included in miscellaneous.

<u>FINES AND FORFEITURES</u>	<u>PERCENT OF TOTAL</u>	<u>SPECIAL ASSESSMENTS</u>	<u>PERCENT OF TOTAL</u>	<u>(2) INTEREST</u>	<u>PERCENT OF TOTAL</u>	<u>MISCEL- LANEOUS</u>	<u>PERCENT OF TOTAL</u>	<u>TOTAL</u>	<u>PERCENT OF TOTAL</u>
\$ 875,969	3.1	\$ 29,271	.1	\$ 782,331	2.7	\$ 187,850	.7	\$ 28,511,937	100.0
808,182	2.8	29,271	.1	432,255	1.5	239,447	.8	28,863,060	100.0
911,586	3.0	29,271	.1	201,374	.7	228,736	.7	30,885,112	100.0
1,011,839	3.0	39,527	.1	311,346	.9	278,366	.8	34,237,164	100.0
1,127,429	2.5	39,539	.1	639,073	1.4	199,797	.4	45,886,999	100.0
1,121,222	2.3	29,271	.1	1,155,874	2.3	426,601	.9	49,641,525	100.0
1,304,823	2.6	29,271	.1	1,106,980	2.2	166,871	.3	49,540,300	100.0
1,506,680	2.9	29,271	.1	1,123,888	2.2	243,822	.5	51,494,918	100.0
1,846,210	3.4	29,272	.1	1,185,654	2.2	263,410	.5	54,444,135	100.0
2,135,780	3.8	29,271	.1	1,341,532	2.4	369,250	.7	56,157,148	100.0

CITY OF KENNER, LOUISIANA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>FISCAL YEAR</u>	<u>TOTAL MILLAGES</u>	<u>(1) NON- HOMESTEAD EXEMPT TAX LEVY</u>	<u>TAX COLLECTIONS AND ADJUSTMENTS</u>	<u>PERCENT OF LEVY COLLECTED &amp; ADJUSTED</u>	<u>TOTAL OUTSTANDING DELINQUENT TAXES RECEIVABLE</u>
1991	22.23	\$ 4,332,967	\$ 4,103,848	94.71	\$ 1,207,600
1992	22.23	4,420,417	4,167,543	94.28	1,083,950
1993	24.22	4,788,328	4,332,766	90.49	1,314,752
1994	23.36	4,725,618	4,488,199	94.98	1,279,679
1995	23.36	4,680,143	4,430,768	94.67	1,396,007
1996	23.36	4,945,611	4,768,588	96.42	1,372,837
1997	21.87	5,077,528	4,918,121	96.86	1,210,252
1998	21.70	5,143,207	5,005,049	97.31	1,222,334
1999	21.70	5,262,573	5,040,482	95.78	1,306,050
2000	21.70	5,503,590	5,312,280	96.52	1,351,566

(1) The City Council implemented a \$7,500 Homestead Exemption beginning with fiscal year 1986.



(THIS PAGE LEFT BLANK INTENTIONALLY)



CITY OF KENNER, LOUISIANA  
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY (3)  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

<u>FISCAL YEAR</u>	<u>REAL ESTATE</u>	<u>PERSONAL PROPERTY</u>	<u>TAX SALE</u>	<u>PUBLIC SERVICE CORPORATIONS</u>
1991	\$ 216,726,680	\$ 33,932,081	\$ 6,176,486	\$ 27,102,242
1992	215,215,880	35,140,599	7,222,086	30,361,071
1993	214,287,450	37,366,492	5,379,716	29,995,049
1994	214,159,570	41,904,031	5,224,996	31,279,553
1995	214,213,110	43,253,948	5,271,656	29,250,567
1996	220,803,770	50,596,941	3,990,386	28,614,918
1997	237,074,541	58,195,479	4,257,761	30,995,528
1998	241,398,331	60,938,732	3,699,541	30,195,387
1999	245,918,850	62,500,241	4,820,151	28,922,196
2000	254,284,120	65,933,841	4,459,761	30,302,781

NOTES:

- (1) Assessed values are established by the Parish Assessor by December of each year at 10 percent of assumed market value for real property and 15 percent of assumed market value for other property. A revaluation of all property is required to be completed every four years. The last revaluation was completed for December 1996.
- (2) The City Council implemented a \$7,500 homestead exemption beginning with the fiscal year 1986.
- (3) Source: Jefferson Parish Assessor's Office.

<u>RAILWAY ROLLING STOCK</u>	<u>(1) TOTAL ASSESSMENTS</u>	<u>(2) HOMESTEAD EXEMPT</u>	<u>NON-HOMESTEAD EXEMPT</u>	<u>TOTAL ESTIMATED ACTUAL VALUE</u>
\$ 22,930	\$ 283,960,419	\$ 89,045,160	\$ 194,915,259	\$ 2,636,080,013
36,940	287,976,576	89,127,460	198,849,116	2,661,303,727
35,490	287,064,197	89,362,880	197,701,317	2,645,985,200
36,450	292,604,600	90,309,400	202,295,200	2,681,979,220
42,600	292,031,881	91,683,350	200,348,531	2,678,495,093
46,390	304,052,405	92,339,680	211,712,725	2,776,329,887
42,070	330,565,379	98,398,673	232,166,706	3,008,210,200
44,920	336,276,911	99,263,364	237,013,547	3,058,838,980
43,660	342,205,098	99,690,817	242,514,281	3,117,163,990
58,630	355,039,133	101,418,082	253,621,051	3,229,407,157

CITY OF KENNER, LOUISIANA  
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS  
(PER \$100 OF ASSESSED VALUE)  
LAST TEN FISCAL YEARS  
(UNAUDITED)

COLLECTION YEAR	LEVY YEAR	CITY OF KENNER					PARISH	
		GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	WASTEWATER OPERATIONS FUND	TOTAL	(1) POLITICAL SUBDIVISIONS	TOTAL
1991	1990	3.76	14.16	2.25	2.06	22.23	65.95	88.18
1992	1991	3.76	14.16	2.25	2.06	22.23	46.03	68.26
1993	1992	3.75	16.16	2.25	2.06	24.22	76.45	100.67
1994	1993	3.75	16.16	1.39	2.06	23.36	75.74	99.10
1995	1994	3.75	16.16	1.39	2.06	23.36	72.85	96.21
1996	1995	3.75	16.16	1.39	2.06	23.36	67.62	90.98
1997	1996	3.51	15.13	1.30	1.93	21.87	67.62	89.49
1998	1997	3.51	15.13	1.13	1.93	21.70	68.86	90.56
1999	1998	3.51	15.13	1.13	1.93	21.70	69.29	90.99
2000	1999	3.51	15.13	1.13	1.93	21.70	69.29	90.99

NOTES:

(1) Source: Jefferson Parish Assessor.

CITY OF KENNER, LOUISIANA  
 PRINCIPAL TAXPAYERS OF AD VALOREM TAXES  
 June 30, 2000  
 (UNAUDITED)

<u>TAXPAYER</u>	<u>TYPE OF BUSINESS</u>	<u>1999 ASSESSED VALUATION</u>	<u>1999 TAX AMOUNT</u>	<u>PERCENTAGE OF TOTAL ASSESSED VALUATION</u>
Southwest Airlines	Air Carrier	\$ 8,074,590	\$ 175,219	2.3
Bell South Telecommunicatons	Telephone Utility	7,167,290	155,530	2.0
CF Kenner Associates	Retail (Mall)	5,208,510	113,025	1.5
Treasure Chest Casino	Casino	3,205,166	69,552	0.9
Entergy Corporation	Electrical Utility	2,772,214	60,157	0.8
Sterik Company	Shopping Center	2,761,530	59,925	0.8
Continental Air Lines	Air Carrier	2,705,290	58,705	0.8
Delta Airlines	Air Carrier	2,644,070	57,376	0.7
Treasure Chest Casino Recreational Barge	Casino	2,141,624	46,473	0.6
Kenner Hotel Ltd. Partnership	Hotel	2,075,460	45,037	0.6
		<u>\$ 38,755,744</u>	<u>\$ 840,999</u>	

CITY OF KENNER, LOUISIANA  
SPECIAL ASSESSMENT LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>FISCAL YEAR</u>	<u>CURRENT AND DELIQUENT ASSESSMENTS DUE AT BEGINNING OF YEAR</u>	<u>ASSESSMENTS LEVIED DURING YEAR</u>	<u>(1) CURRENT AND DELIQUENT ASSESSMENTS COLLECTED DURING YEAR</u>	<u>RATIO OF COLLECTIONS TO AMOUNT DUE</u>	<u>(2) TOTAL ASSESSMENTS OUTSTANDING AT END OF YEAR</u>
PAVING ASSESSMENTS					
1991	\$ 597,813	\$ -	\$ 45,911	7.68	\$ 551,902
1992	551,902	-	48,407	8.77	503,495
1993	503,495	-	50,999	10.13	452,496
1994	452,496	-	41,894	9.26	410,602
1995	410,602	-	37,352	9.10	373,250
1996	373,250	-	29,271	7.84	343,979
1997	343,979	-	29,271	8.51	314,708
1998	314,708	-	39,258	12.47	275,450
1999	275,450	-	29,273	10.63	246,177
2000	246,177	-	33,312	13.53	212,865
SEWERAGE ASSESSMENTS					
1991	\$ 77,589	\$ -	\$ 4,972	6.41	\$ 72,617
1992	72,617	-	7,601	10.47	65,016
1993	65,016	-	2,500	3.85	62,516
1994	62,516	-	3,021	4.83	59,495
1995	59,495	-	1,582	2.66	57,913
1996	57,913	-	-	0.00	57,913
1997	57,913	-	-	0.00	57,913
1998	57,913	-	3,089	5.33	54,824
1999	54,824	-	423	0.77	54,401
2000	54,401	-	340	0.62	54,061

NOTES:

(1) Collections include total payouts of individual assessments.

(2) Balance outstanding does not include interest receivable on delinquent assessments.

CITY OF KENNER, LOUISIANA  
COMPUTATION OF LEGAL DEBT MARGIN  
June 30, 2000  
(UNAUDITED)

Assessed value		<u>\$ 355,039,133</u>
Debt limit - 35% of assessed value (1)		\$ 124,263,697
Total bonds payable	\$ 41,540,000	
Less: Sales tax bonds	(37,305,000)	
Amount available for repayment of general obligation and excess revenue bonds	<u>1,763,413</u>	
Total debt applicable to limitation		<u>5,998,413</u>
Legal debt margin		<u>\$ 118,265,284</u>

NOTES:

- (1) Louisiana R.S. 39:562 allows a maximum of 10% of the assessed valuation for bonded debt for any one purpose or 35% of the total assessed value for all purposes.



CITY OF KENNER, LOUISIANA  
RATIO OF NET LONG-TERM DEBT TO ASSESSED VALUE AND NET LONG-TERM DEBT PER CAPITA  
LAST TEN FISCAL YEARS  
(UNAUDITED)

FISCAL YEAR	(1) POPULATION	ASSESSED VALUE (IN THOUSANDS)	(2) GROSS LONG-TERM DEBT	DEBT SERVICE MONIES AVAILABLE	DEBT PAYABLE FROM ENTERPRISE REVENUES	NET LONG-TERM DEBT	RATIO OF NET LONG-TERM DEBT TO ASSESSED VALUE	NET LONG-TERM DEBT PER CAPITA
1991	72,033	\$ 283,960	\$ 36,843,448	\$ 5,033,836	\$ -	\$ 31,809,612	11.20	\$ 442
1992	72,252	287,977	35,189,176	4,212,995	-	30,976,181	10.76	428.72
1993	75,317	287,064	38,394,904	3,241,665	-	35,153,239	12.25	466.74
1994	72,700	292,605	37,080,632	3,192,081	-	33,888,551	11.58	466.14
1995	72,300	292,032	40,432,876	4,171,332	-	36,261,544	12.42	501.54
1996	73,765	304,052	51,141,547	6,111,699	-	45,029,848	14.81	610.45
1997	74,002	330,565	51,048,494	7,118,493	-	43,930,001	13.29	593.63
1998	74,180	336,277	48,018,544	7,109,036	-	40,909,508	12.17	551.49
1999	74,220	342,205	44,849,272	6,933,032	-	37,916,240	11.08	510.86
2000	75,054	355,039	41,540,000	6,815,133	-	34,724,867	9.78	462.67

NOTES:

(1) Source: Louisiana Tech University for 1988-1989 and 1991-1999; U.S. Census Bureau for 1990 Census.

(2) Includes all long-term general obligation bonds, sales tax bonds and special assessment certificates.

CITY OF KENNER, LOUISIANA  
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
 FOR GENERAL BONDED DEBT TO GENERAL GOVERNMENTAL EXPENDITURES  
 LAST TEN FISCAL YEARS  
 (UNAUDITED)

<u>FISCAL YEAR</u>	<u>PRINCIPAL</u>	<u>(2) INTEREST AND FEES</u>	<u>TOTAL DEBT SERVICE</u>	<u>(1) TOTAL GENERAL EXPENDITURES</u>	<u>RATIO OF DEBT SERVICE TO TOTAL GENERAL EXPENDITURES</u>
1991	\$ 1,698,676	\$ 2,989,268	\$ 4,687,944	\$ 29,661,948	15.80
1992	1,931,340	2,905,487	4,836,827	31,726,784	15.25
1993	1,539,119	3,438,906	4,978,025	32,178,996	15.47
1994	1,943,527	2,223,884	4,167,411	32,064,963	13.00
1995	1,729,405	2,174,405	3,903,810	34,979,184	11.16
1996	2,010,033	2,309,351	4,319,384	41,039,471	10.52
1997	4,155,441	2,722,764	6,878,205	45,435,750	15.14
1998	3,200,029	2,614,360	5,814,389	44,347,429	13.11
1999	3,346,203	2,479,762	5,825,965	48,065,504	12.12
2000	3,528,492	2,489,949	6,018,441	54,543,938	11.03

NOTES:

(1) Includes General, Special Revenue Funded with Taxes and Debt Service Funds.

(2) Excludes bond issuance costs.

CITY OF KENNER, LOUISIANA  
COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
June 30, 2000  
(UNAUDITED)

	INDEBTEDNESS AS OF	NET AD VALOREM TAX BONDED DEBT OUTSTANDING	PERCENTAGE APPLICABLE TO THE CITY (1)	AMOUNT APPLICABLE TO THE CITY
City of Kenner	6-30-00	\$ 1,190,000	100.0%	\$ 1,190,000
Jefferson Parish	12-31-99	64,730,000	15.07%	9,754,811
Jefferson Parish Public School System	6-30-00	19,769,464	15.07%	<u>2,979,258</u>
Total direct and overlapping debt				<u>\$ 13,924,069</u>
Taxable assessed valuation				\$ 355,039,133
Ratio of direct and overlapping debt to taxable assessed valuation				3.9%
Direct and overlapping debt per capita				\$ 188

NOTES:

- (1) The percentage of indebtedness of the City's overlapping political subdivisions was determined by dividing the City's assessed valuation subject to taxation by the total assessed valuation subject to taxation of the overlapping subdivision.

CITY OF KENNER, LOUISIANA  
DEMOGRAPHIC STATISTICS  
LAST TEN FISCAL YEARS  
(UNAUDITED)

<u>FISCAL YEAR</u>	<u>(1) POPULATION</u>	<u>(2) PER CAPITA PERSONAL INCOME</u>	<u>(3) UNEMPLOYMENT RATES</u>
1991	72,033	\$ 17,489	5.6%
1992	72,252	18,340	6.2%
1993	75,317	19,100	5.9%
1994	72,700	20,170	6.4%
1995	72,300	21,973	5.0%
1996	73,765	22,912	4.6%
1997	74,002	23,850	3.8%
1998	74,180	23,850	3.3%
1999	74,220	23,850	3.4%
2000	75,054	(4)	(4)

NOTES:

(1) Source: Louisiana Tech University for 1987-1989 and 1991-1999; U.S. Census Bureau for 1990 Census.

(2) Source: United States Census Bureau, Regional Economic Information System. Figures apply to Jefferson Parish, in which the City of Kenner is an incorporated municipality.

(3) Source: Louisiana Department of Labor for calendar years. Figures apply to Jefferson Parish, in which the City of Kenner is an incorporated municipality.

(4) Information not yet available.

CITY OF KENNER, LOUISIANA  
PROPERTY VALUE AND PRIVATE CONSTRUCTION PERMITS AND VALUE  
LAST TEN FISCAL YEARS  
(UNAUDITED)

FISCAL YEAR	(1) ASSESSED PROPERTY VALUE	CONSTRUCTION PERMITS (2)	
		NUMBER OF BUILDING PERMITS	VALUE
1991	\$ 283,960,419	687	\$ 32,872,520
1992	287,976,576	647	37,945,405
1993	287,064,197	535	27,975,909
1994	292,604,600	439	30,302,337
1995	292,031,881	605	36,140,565
1996	304,052,405	695	74,900,927
1997	330,565,379	636	32,283,893
1998	336,276,911	693	66,281,179
1999	342,205,098	627	38,348,546
2000	355,039,133	631	53,729,587

NOTES:

(1) Assessed values from fifth table presented.

(2) Source: City of Kenner Code Enforcement Department.

CITY OF KENNER, LOUISIANA  
MISCELLANEOUS STATISTICS  
June 30, 2000  
(UNAUDITED)

Date of Incorporation: December 13, 1913

Form of Government: Home Rule Charter;  
Mayor-Council Form

Average Elevation: -5 Feet

Area: 15 square miles

Number of Street Lights: 6,869

Number of Housing Units: 27,075

Fire Protection:

Rating: 2 on a scale of 1 to 10 with 1 being the highest  
(Louisiana Property Insurance Association)

Number of Stations: 5

Number of Commissioned Firemen: 82

Number of Pieces of Equipment: 19

Police Protection:

Number of Stations: 2

Number of Commissioned Policemen: 132

Sewerage Treatment:

Treatment Capacity: 18.25 MGD

Number of Treatment Plants: 3

Number of Low Lift Stations: 76

Number of Miles on Collection System: 391

Discharge Point: Mississippi River

Culture and Recreation:

Art Gallery: 1

Number of Museums: 7

Number of Theatres: 3

Number of Parks: 2

Number of Gymnasiums: 9

Number of Playgrounds: 11

Number of Tot-Lots: 17

Number of Wheelchair Tracks: 3

Number of Employees:

Civil Service: 219

Unclassified: 493



(THIS PAGE LEFT BLANK INTENTIONALLY)

## **SINGLE AUDIT SECTION**

(THIS PAGE LEFT BLANK INTENTIONALLY)

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

3501 N. Causeway Blvd. • Suite 810 • P.O. Box 6952 • Metairie, LA 70009  
Phone (504) 837-9116 • Fax (504) 837-0123 • E-mail rebowe@rebowe.com

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Honorable Mayor and Members of the Council  
City of Kenner, Louisiana

We have audited the general-purpose financial statements of the **City of Kenner, Louisiana** as of and for the year ended June 30, 2000, and have issued our report thereon dated December 18, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether the **City of Kenner's** general-purpose financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted an immaterial instance of noncompliance, which we have reported to management of the **City of Kenner** in a separate letter dated December 18, 2000.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the **City of Kenner's** internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the general-purpose financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the general-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over financial reporting which we have reported to management of the **City of Kenner, Louisiana** in a separate letter dated December 18, 2000.

This report is intended solely for the information of management, the Legislative Auditor of the State of Louisiana, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Rebowe & Company*

December 18, 2000

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

3501 N. Causeway Blvd. • Suite 810 • P.O. Box 6952 • Metairie, LA 70009  
Phone (504) 837-9116 • Fax (504) 837-0123 • E-mail rebowe@rebowe.com

## **INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133**

Honorable Mayor and Members of the Council  
**City of Kenner, Louisiana**

### **Compliance**

We have audited the compliance of the **City of Kenner, Louisiana** with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2000. The **City of Kenner's** major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the **City of Kenner's** management. Our responsibility is to express an opinion on the **City of Kenner's** compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the **City of Kenner's** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the **City of Kenner's** compliance with those requirements.

In our opinion, the **City of Kenner, Louisiana** complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000. However, we noted an immaterial instance of noncompliance, which we have reported to management of the **City of Kenner** in a separate letter dated December 18, 2000.

### **Internal Control Over Compliance**

The management of the **City of Kenner, Louisiana** is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the **City of Kenner's** internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.



Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information of management, the Legislative Auditor of the State of Louisiana, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Reboue & Company*

December 18, 2000

CITY OF KENNER, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
Year Ended June 30, 2000

DESCRIPTION	CFDA NUMBER	GRANT NUMBER	TOTAL GRANT AWARD	REVENUE AND RECEIPTS RECOGNIZED	FEDERAL AND OTHER EXPENDITURES
<b>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>					
Direct Programs:					
Community Development Block Grant*	14.218	B-99-MC-22-0008	\$ 999,000	\$ -	\$ -
Community Development Block Grant*	14.218	B-98-MC-22-0008	992,000	393,634	393,634
Community Development Block Grant*	14.218	B-97-MC-22-0008	1,031,000	218,810	218,810
Total Direct Programs				<u>612,444</u>	<u>612,444</u>
Passed Through Jefferson Parish:					
Home Investment Partnership Program (HOME)	14.239	M96-DC-22-0207	201,300	171,075	171,075
Home Investment Partnership Program (HOME)	14.239	M95-DC-22-0207	213,371	12,052	12,052
Total Passed Through Jefferson Parish				<u>183,127</u>	<u>183,127</u>
Passed Through State Department of Social Services, Office of Community Services:					
Emergency Shelter Grants Program	14.231	DOA# 370-6133	34,879	33,940	33,940
Total Passed Through State Department of Social Services, Office of Community Services		DSS# 06588		<u>33,940</u>	<u>33,940</u>
<b>TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</b>				<u>\$ 829,511</u>	<u>\$ 829,511</u>
<b>U.S. DEPARTMENT OF JUSTICE</b>					
Passed Through Louisiana Commission on Law Enforcement:					
After School Program/Alcohol Prevention	16.579	B98-7-021	\$ 36,000	\$ 29,124	\$ 29,124
Street Gang Reduction Program	16.579	B98-7-010			
		B97-7-005	20,000	20,000	20,000
Multi-Jurisdictional Drug Enforcement Task Force	16.579	-	35,052	22,052	22,052
Multi-Jurisdictional Drug Enforcement Task Force	16.579	-	27,049	17,049	17,049
Street Sales Disruption	16.579	B00-7-002	35,397	16,146	16,146
Street Sales Disruption	16.579	B99-7-005	36,354	29,054	29,054
Total Passed Through Louisiana Commission on Law Enforcement				<u>133,425</u>	<u>133,425</u>
Office of Community Oriented Policing Services:					
Cops More '96	16.710	97-CM-WX-1080	397,274	-	-
Cops Universal Hiring Program	16.710	95-CC-WX-0081	851,156	71,914	71,914
Total Office of Community Oriented Policing Services				<u>71,914</u>	<u>71,914</u>
Office of Justice Programs:					
Local Law Enforcement Block Grant	16.592	99-LB-VX7671	185,819	-	-
Local Law Enforcement Block Grant	16.592	98-LB-VX3609	190,938	190,938	51,524
Local Law Enforcement Block Grant	16.592	97-LB-VX3609	189,424	-	71,006
Total Office of Justice Programs				<u>190,938</u>	<u>122,530</u>
<b>TOTAL U.S. DEPARTMENT OF JUSTICE</b>				<u>\$ 396,277</u>	<u>\$ 327,869</u>

(Continued)

CITY OF KENNER, LOUISIANA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)  
Year Ended June 30, 2000

DESCRIPTION	CFDA NUMBER	GRANT NUMBER	TOTAL GRANT AWARD	TOTAL REVENUE AND RECEIPTS RECOGNIZED	TOTAL FEDERAL AND OTHER EXPENDITURES
FEDERAL EMERGENCY MANAGEMENT AGENCY					
Passed Through Military Department					
Office of Emergency Preparedness:					
Hazard Mitigation Grant Program (Section 404)	83.548	1049-053-0005	\$826,658	\$ 59,184	\$ 59,184
 TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY				\$ 59,184	\$ 59,184
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION					
Passed Through Louisiana Highway Safety Commission:					
Commercial Motor Vehicle Grant	20.600	MC-99-22-002-F	\$ 5,893	\$ 1,386	\$ 1,386
Kenner Police Patrols Over Safe Streets Everywhere (POSSE)	20.600	0032	48,664	37,254	37,254
Kenner Police Patrols Over Safe Streets Everywhere (POSSE)	20.600	9932	50,528	10,600	10,600
 TOTAL NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION				\$ 49,240	\$ 49,240
U.S. DEPARTMENT OF TRANSPORTATION					
Passed Through Louisiana Department of Transportation and Development:		State Project # 742-26-0014			
Highway Planning and Construction (Loyola Drive Improvements - Phase II) *	20.205	FAP # STP-8668 (005)M 742-07-0056	\$ -	\$ 1,149,101	\$ 1,149,101
 Loyola Drive Improvements (DBE, WBE Set Aside Project, Urban System Project)	20.205	State Project # 742-07-0056 FAP#	-	-	-
Vintage Blvd. Improvements	20.205	STP-8668 (002)M STP-8691(007)	-	-	-
TOTAL U.S. DEPARTMENT OF TRANSPORTATION		742-07-0057	-	160,716	160,716
				\$ 1,309,817	\$ 1,309,817
U.S. OFFICE OF EDUCATION					
Passed Through State Department of Education:					
Governor's Safe and Drug-Free Schools and Communities Act	84.186A	00DFS99-2000	\$ 6,000	\$ 6,000	\$ 6,000
 TOTAL U.S. OFFICE OF EDUCATION				\$ 6,000	\$ 6,000
 TOTAL FEDERAL FINANCIAL ASSISTANCE				\$ 2,650,029	\$ 2,581,621

\* Major Program.

The accompanying Notes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

CITY OF KENNER, LOUISIANA  
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
June 30, 2000

NOTE A – SCOPE OF AUDIT PURSUANT TO GOVERNMENT AUDITING STANDARDS, OMB CIRCULAR A-133, "AUDITS OF STATES, LOCAL GOVERNMENTS, AND NON-PROFIT ORGANIZATIONS" AND THE SINGLE AUDIT ACT OF 1984 AND 1996 AMENDMENTS

All federal grant operations of the City of Kenner, Louisiana, are included in the scope of the single audit. Those programs which were major grants and which were selected for specific testing included:

Community Development Block Grants (CFDA No. 14.218)  
Highway Planning and Construction (CFDA No. 20.205)

The Department of Housing and Urban Development has been designated as the City's oversight agency for the single audit.

NOTE B - FISCAL PERIOD AUDITED

Single audit testing procedures were performed for program transactions occurring during the year ended June 30, 2000. Revenues and expenditures recorded prior to July 1, 1986 for programs with contractual reimbursement periods commencing prior to that date were outside the scope of the single audit. These prior period revenues and expenditures are subject to the audit requirements of the applicable federal funding sources. Grant terms are indicated in the Schedule of Expenditures of Federal Awards.

NOTE C - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards has been prepared on the accrual basis of accounting. Grant revenues are recorded for financial reporting purposes when the City has met the qualifications for the respective grants. Several programs are funded jointly by State of Louisiana appropriations and federal funds. Costs incurred in programs partially funded by federal grants are applied against federal grant funds to the extent of revenue available when they properly apply to the grant.

2. ACCRUED AND DEFERRED REIMBURSEMENT

Various reimbursement procedures are used for federal awards received by the City. Consequently, timing differences between expenditures and program reimbursements can exist at the beginning and end of the year. Accrued balances at year end represent an excess of reimbursable expenditures over cash reimbursements received. Generally, accrued balances caused by differences in the timing of cash reimbursements and expenditures will be reversed in the remaining grant period.

NOTE D - NOTES PAYABLE

In December 1992, City of Kenner issued a long-term note for \$700,000. The proceeds were to be loaned in accordance with the HUD Section 108 Loan Guarantee program. The loan did not materialize, therefore, the proceeds have been invested to finance the payment of the note payable. The investment is accounted for in the Community Development Block Grant Special Revenue Fund. The long term note is payable over a period of 6 years with interest payable semi-annually at rates ranging from 6.59% to 6.83%. At June 30, 2000, the note payable was paid off.

(THIS PAGE LEFT BLANK INTENTIONALLY)

CITY OF KENNER, LOUISIANA  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2000

**A. SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of the City of Kenner, Louisiana.
2. No reportable conditions relating to the audit of the financial statements are reported in the *Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of City of Kenner, Louisiana, which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
4. No reportable conditions relating to the audit of internal control over major federal award programs are reported in the *Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133*.
5. The auditor's report on compliance for the major federal award programs for the City of Kenner, Louisiana expresses an unqualified opinion on all major federal programs.
6. No audit findings relative to the major federal award programs for the City of Kenner, Louisiana are reported in this schedule.
7. The programs tested as major programs include:

	<u>CFDA Number</u>
Community Development Block Grants	14.218
Highway Planning and Construction	20.205

8. The threshold for distinguishing Types A and B programs was \$300,000.
9. City of Kenner, Louisiana does not qualify as a low-risk auditee.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None



CITY OF KENNER, LOUISIANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2000

**C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT**

**QUESTIONED  
COSTS**

U. S. DEPARTMENT OF JUSTICE

00-1. COPS Universal Hiring Program - CFDA No. 16.710; Grant No. 96-CC-WX-0081

Condition:

As reported in the prior year, twelve (12) officers were hired under the COPS Universal Hiring Program. One of these officers was hired prior to the grant award date.

Criteria:

Eligibility for the program requires all officers to be hired after the grant award date. In addition, the federal award specifies a time period during which the entity may use the federal funds (period of availability).

Effect:

The total salaries and benefits for this officer in the amount of \$23,000 per year may be disallowed.

\$ 70,946

Cause:

Procedures in place for the hiring requirements of officers under the COPS Universal Hiring Program were not followed.

Recommendation:

Procedures should be implemented to ensure these requirements are met.

Response:

See management's corrective action plan for their response.

00-2. COPS Universal Hiring Program - CFDA No. 16.710; Grant No. 96-CC-WX-0081

Condition:

The local share match has not changed during the grant period, nor has the federal share match changed in accordance with the terms of the grant agreement. This condition was also reported in the prior year.

Criteria:

Matching contributions may be applied at any time during the life of the grant provided that the full matching share is obligated by the end of the grant period. In addition, as a percentage of the total, the local share must increase every year during the grant period and the federal share must decrease.

Effect:

The local share increase/federal share decrease matching requirement is not being met.

None

CITY OF KENNER, LOUISIANA  
Schedule of Findings and Questioned Costs (Continued)  
For the Year Ended June 30, 2000

**QUESTIONED  
COSTS**

Cause:

Procedures are not in place to ensure that the requirements are met for the local share increase/federal share decrease.

Recommendation:

Procedures should be established to ensure the local share increases every year during the grant period and the federal share decreases.

Response:

See management's corrective action plan for their response.

00-3. COPS More '96 – CFDA No. 16.710; Grant No. 97-CM-WX-1080

Condition:

As reported in the prior year, a COPS More '96 grant was awarded to the City for the purchase of equipment. A disbursement for equipment in the amount of \$350,000 was reimbursed by the grantor. However, the disbursement was made prior to the grant award date.

Criteria:

Eligibility for the program requires all reimbursable costs to be made after the grant award date. In addition, the federal award specifies a time period during which the entity may use the federal funds (period of availability).

Effect:

The costs for the entire grant award are subject to being disallowed. \$ 397,274

Cause:

Procedures in place to ensure eligibility of costs under the program were not followed.

Recommendation:

Procedures should be implemented to ensure these requirements are met.

Response:

See management's corrective action plan for their response.

TOTAL U. S. DEPARTMENT OF JUSTICE

\$ 468,220

(THIS PAGE LEFT BLANK INTENTIONALLY)

CITY OF KENNER, LOUISIANA  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2000

**A. INTERNAL CONTROL FINDINGS**

Reportable Condition:

99-1. Museum Revenues

Condition:

Internal controls for the collection and remittance of museum revenues to the City were bypassed resulting in an alleged misappropriation of cash by the Museum Administrator. The alleged misappropriation was an isolated incident occurring during the time period when the Department Director position was temporarily vacant and the alleged misappropriation was detected internally by the City within a reasonable period of time. The City subsequently collected the funds from the Museum Administrator.

Current Status:

Additional procedures were implemented to strengthen the existing internal controls over the collection and remittance of museum revenues.

**B. FINDINGS RELATED TO FEDERAL AWARD PROGRAMS**

99-2. COPS Universal Hiring Program - CFDA No. 16.710; Grant No. 96-CC-WX-0081

Condition:

Twelve (12) officers were hired under the COPS Universal Hiring Program. One of these officers was hired prior to the grant award date.

Current Status:

Procedures are now in place to ensure officers hired under the COPS program are newly hired. The City received correspondence from the Department of Justice requesting the return of grant funds expended for this officer hired before the grant award date. However, negotiations are still in process as to the final outcome of this matter. This finding is repeated in the Schedule of Findings and Questioned Costs (00-1) at June 30, 2000.

99-3. COPS Universal Hiring Program - CFDA No. 16.710; Grant No. 96-CC-WX-0081

Condition:

The local share match has not increased during the grant period, nor has the federal share match decreased.

Current Status:

No significant improvements have been made in the local share increase/federal share decrease matching requirement. This finding is repeated in the Schedule of Findings and Questioned Costs (00-2) at June 30, 2000.

CITY OF KENNER, LOUISIANA  
Summary Schedule of Prior Audit Findings (Continued)  
For the Year Ended June 30, 2000

99-4. COPS More '96 – CFDA No. 16.710; Grant No. 97-CM-WX-1080

Condition:

A COPS More '96 grant was awarded to the City for the purchase of equipment. A disbursement for equipment in the amount of \$350,000 was reimbursed by the grantor. However, the disbursement was made prior to the grant award date.

Current Status:

Procedures are now in place to ensure the requirements for reimbursable costs are met. The City received correspondence from the Department of Justice requesting the return of grant funds expended for the purchase of equipment before the grant award date. However, negotiations are still in progress as to the final outcome of this matter. This finding is repeated in the Schedule of Findings and Questioned Costs (00-3) at June 30, 2000.

CITY OF KENNER, LOUISIANA  
Corrective Action Plan  
For the Year Ended June 30, 2000

<u>Recommendation</u>	<u>Corrective Action</u>	<u>Implementation Date</u>	<u>Contact</u>
<b>00-1 COPS – Universal Hiring Program</b> Procedures should be implemented to ensure the hiring requirements of the program are met.	The statement within the audit on this item as to “Cause” states that “Procedures in place for the hiring requirements of officers under the COPS Universal Hiring Program were not followed.” This is incorrect. It has been determined through department legal counsel that at the time the officer in question was hired, the then existent standards of the U.S. Department of Justice were that officers were not to be hired pre-application, not pre-award. It was only after this grant award was issued to Kenner, that the COPS Program promulgated <u>new</u> rules indicating that the monies were to be used for the hiring of officers only post-award. The police department is currently working with U.S. Department of Justice officials to achieve an agreement that the later promulgated rule will not be applied retroactively to decisions made in good faith reliance upon the prior standards of the COPS Program.	January 1, 2000	Nick A. Congemi Chief of Police (504) 468-7270
<b>99-2 COPS – Universal Hiring Program</b> Procedures should be established to ensure the local share increases every year during the grant period and the federal share decreases.	Financial Status Reports for 2000-2001 will reflect actual local and federal share figures.	July 1, 1999	Nick A. Congemi Chief of Police (504) 468-7270



CITY OF KENNER, LOUISIANA  
 Corrective Action Plan (Continued)  
 For the Year Ended June 30, 2000

<u>Recommendation</u>	<u>Corrective Action</u>	<u>Implementation Date</u>	<u>Contact</u>
<b>00-3 COPS More '96</b> Procedures should be implemented to ensure eligibility requirements are met.	<p>The statement within the audit on this item as to "Cause" states that "Procedures in place to ensure eligibility of costs under the program were not followed." This is incorrect. It has been determined through department legal counsel that at the time the computer equipment in question was purchased, the then existent standards of the U.S. Department of Justice were that this equipment was not to be purchased pre-application, not pre-award. It was only after this grant award was issued to Kenner, that the COPS Program promulgated <u>new</u> rules indicating that the monies were to be used for the purchase of equipment only post-award. (The <u>new</u> rule book is the same one referenced in the department's response above as to Item 00-1). The police department is currently working with U.S. Department of Justice officials to achieve an agreement that the later promulgated rule will not be applied retroactively to decisions made in good faith reliance upon the prior standards of the COPS Program.</p>	January 1, 2000	Nick A. Congemi Chief of Police (504) 468-7270

**CITY OF KENNER, LOUISIANA**  
**MEMORANDUM OF ADVISORY COMMENTS**  
**JUNE 30, 2000**

## TABLE OF CONTENTS

AUDITOR'S REPORT .....	1
OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT'S CORRECTIVE ACTION PLAN	
1. GASB STATEMENT NO. 34 .....	2
2. HANDICAP PARKING FINES .....	4
3. HANDICAP PARKING REVENUES .....	4
4. DAVIS-BACON ACT .....	5
5. COMMUNITY DEVELOPMENT BLOCK GRANT .....	5
6. SELF INSURANCE .....	6
7. HOMESTEAD EXEMPTION.....	6
APPENDIX I .....	7

# REBOWE & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS  
CONSULTANTS

A PROFESSIONAL CORPORATION

3501 N. Causeway Blvd. • Suite 810 • P.O. Box 6952 • Metairie, LA 70009  
Phone (504) 837-9116 • Fax (504) 837-0123 • E-mail rebowe@rebowe.com

December 18, 2000

Honorable Mayor and Members of the Council  
**City of Kenner, Louisiana**

We have audited the general-purpose financial statements of the **City of Kenner, Louisiana** for the year ended June 30, 2000, and have issued our report thereon dated December 18, 2000. As part of our audit, we considered the City's internal control over financial reporting in order to determine the nature, timing and extent of our auditing procedures for the purpose of expressing an opinion on the general-purpose financial statements and not to provide assurance on the internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal control and operating efficiency. The memorandum that accompanies this letter summarizes our comments and recommendations regarding these matters. We previously reported on the City's internal control in a separately issued report entitled *Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards* dated December 18, 2000.

We will review the status of these matters during our next audit engagement. We have already discussed many of these recommendations with various City personnel and have included their responses. We will be pleased to discuss these recommendations with you in further detail at your convenience, perform any additional study of these matters, or assist you in implementing the recommendations.

Sincerely,

*Rebowe & Company*

OBSERVATIONS, RECOMMENDATIONS, AND  
MANAGEMENT'S CORRECTIVE ACTION PLAN

**1. GASB STATEMENT NO. 34**

Observation

In June 1999, the Governmental Accounting Standards Board ("GASB") issued GASB Statement No. 34 "Basic Financial Statements" effective for the year beginning July 1, 2002 as determined by the City of Kenner's revenues for the fiscal years ended June 30, 1999 and 2000. GASB Statement No. 34 establishes new financial reporting requirements for the City as well as other state and local governments. When implemented, it will create new information and will restructure much of the information that the City has presented in the past.

The most significant changes will be that the City will report financial information for all governmental fund type accounting utilizing the full accrual method of accounting as opposed to the modified accrual method currently used; the City will be required to record and depreciate all capital assets, and to eliminate both the General Fixed Asset Accounting Group and the General Long-Term Debt Accounting Group; the City will present dual financial statements with presentation of both "Government-wide Financial Statements" and the traditional "Fund Financial Statements"; and the City will eliminate all interfund transactions, including interfund loans, interfund services provided and used, and interfund transfers.

In preparation for GASB Statement No. 34, the City of Kenner will need to invest extensive man-hours prior to its implementation. Specifically, the City will need to:

- A. Conduct an extensive inventory of its capital assets, including infrastructure. A book value and asset life will need to be determined and each asset will be depreciated over its remaining life. If the City does not already have a fixed asset accounting package capable of calculating depreciation, the City will need to evaluate and obtain such software. The City should also reevaluate its capitalization threshold and consider raising its level of capitalization for reporting purposes.
- B. Recalculate all discounts and/or premiums on all previously issued bonds and begin to amortize this discount/premium over the life of the bonds.
- C. Calculate any gain or loss from the refinancing of bonds and amortize it over the life of the bonds.
- D. Interest costs on capital projects open or begun in the year of implementation will need to be calculated and capitalized as a component of the capital asset historical cost.



## OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT'S CORRECTIVE ACTION PLAN

- E. A Management Discussion and Analysis ("MD&A") section will need to be reported as "required supplementary information" in the financial statements (this is in addition to the Letter of Transmittal) outlining the following:
- A brief description of the financial statements.
  - Condensed financial position with comparative information derived from the government wide financial information.
  - Analysis of balances and transactions of major individual funds.
  - Analysis of significant variations between original and final budget amounts.
  - Description of significant capital assets and long term debt activity.
  - Description of currently known facts, decisions, or conditions that are expected to have a significant effect on the financial position or results of operations.
- F. Fiduciary Funds such as Expendable and Non-expendable Trust Funds may or may not need to be disclosed in the City's financial statements depending on their function. The City will need to determine which funds will remain and at what level they will need to be reported.
- G. All contributed capital from proprietary type funds (Enterprise Funds) will need to be combined with the funds' equity section and will be shown as current period revenue for that particular fund.
- H. GASB Statement No. 34 will require all internal service funds to be reconciled as part of the "government-wide" financial statements. The GASB is recommending that all unnecessary internal service funds should no longer be reported as a separate fund and activities related to these funds should be recorded as part of the General Fund to avoid time consuming and unnecessary reconciliation.
- I. All funds will need to be classified as either major or non-major. Only major funds will be presented as individual funds in the financial statements. All non-major governmental type funds and all non-major proprietary funds will be grouped as one fund and presented as such. This will be a significant change from the present fund accounting presentation.

The full effect of GASB Statement No. 34 will not be known until its implementation, and proper planning and advanced preparation could eliminate the risk of now solvent funds to report deficit fund balances and unnecessary time delays in the year of implementation.

### Recommendation:

The City of Kenner should begin to formulate a plan of action designed to make the implementation to GASB Statement No. 34 financial statements as smooth and efficient as possible.



## OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT'S CORRECTIVE ACTION PLAN

### Management's Corrective Action Plan:

We are aware of GASB Statement No. 34 and will address its implementation by the effective date. The contact person responsible for the corrective action is the Chief Financial Officer, Duke P. McConnell who may be reached at (504) 468-4052.

## **2. HANDICAP PARKING FINES**

### Observation:

In accordance with Louisiana Revised Statute 40:1742, the City imposes a \$275 fine for handicap parking violations. However, we noted that the fine is not properly increased to \$500 for subsequent violators or for violators other than an individual.

### Recommendation:

The City should implement procedures to insure the proper fine for handicap parking violations is assessed in accordance with the Statute.

### Management's Corrective Action Plan:

We will consult with our City's Attorney to ensure that we are properly complying with the Statute. We will also meet with our computer consultant to determine what programming changes are needed to identify subsequent violators or violators other than individuals to ensure that proper fines are assessed. The contact person responsible for the corrective action is the Chief Financial Officer, Duke P. McConnell who may be reached at (504) 468-4052.

## **3. HANDICAP PARKING REVENUES**

### Observation:

During our review of handicap parking ticket revenues we noted that approximately only 64 (14%) of the 459 handicap parking tickets issued during fiscal 2000 were collected for the current year. We noted that collections for all parking tickets were relatively low because attachments cannot be issued on unsigned tickets.

### Recommendation:

We recommend the City review its current procedures for pursuing collections of parking tickets and consider consulting with the City Attorney for additional measures that may be taken.

### Management's Corrective Action Plan:

We will consult with the City's Attorney as to additional measures that can be taken in enforcing the collections of parking tickets. The contact person responsible for the corrective action is the Chief Financial Officer, Duke P. McConnell who may be reached at (504) 468-4052.

## OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT'S CORRECTIVE ACTION PLAN

### 4. DAVIS-BACON ACT

#### Observation:

During our testing of the Davis-Bacon Act for the Loyola Drive Improvements project, we noted three instances where the basic pay and fringe benefits were slightly below the prevailing wages established by the Department of Labor. We also noted seven instances where the overtime pay was slightly less than 1.5 times the basic salary. However, we determined these amounts to be immaterial instances of noncompliance.

#### Recommendation:

The City should implement procedures to ensure their compliance with the requirements of the Davis-Bacon Act.

#### Management's Corrective Action Plan:

The Contract Manager monitors the payrolls from the contractor. These instances were noted, however, the contractor went bankrupt before the findings could be remedied. The Contract Manager has procedures in place for ensuring compliance with the requirements of the Davis-Bacon Act. The contact person responsible for the corrective action is the Chief Financial Officer, Duke P. McConnell who may be reached at (504) 468-4052.

### 5. COMMUNITY DEVELOPMENT BLOCK GRANT

#### Observation:

Expenditures for the Community Development Block Grant are paid by the City's General Fund and reimbursed after receiving funds from the Department of Housing & Urban Development ("HUD"). However, we noted that the requests for reimbursements from HUD are not performed in a timely manner by the Community Development Department.

#### Recommendation:

We recommend that procedures be implemented to ensure that requests for reimbursement from HUD are performed timely.

#### Management's Corrective Action Plan:

We have implemented procedures to ensure requests for reimbursements are performed regularly. The contact person responsible for the corrective action is the Chief Financial Officer, Duke P. McConnell who may be reached at (504) 468-4052.

## OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT'S CORRECTIVE ACTION PLAN

### 6. SELF INSURANCE

#### Observation:

The City has a third party administrator handling the processing of claims for the self insurance programs. On a monthly basis, the Administrator provides the City with loss reports, payment registers and a bank reconciliation. The City uses the bank reconciliation to record the monthly activity on the general ledger. We noted that all reconciling items identified by the Administrator on the bank reconciliation are not recorded on the loss reports. This resulted in discrepancies between the loss reports and the amounts recorded on the City's general ledger.

#### Recommendation:

We recommend that the City advise the Administrator as to the changes in the existing procedures needed to record these reconciling items on a monthly basis by the submission of a supplemental report detailing these items.

#### Management's Corrective Action Plan:

The City's third party administrator will submit a supplemental report with the regular monthly loss runs for all items not currently recorded on the loss runs which appear on the monthly bank reconciliation. This report will include items such as legal fees, subrogation payments, and any other items that are not currently reported on the actual loss runs. The combination of the loss runs plus the supplemental report should meet the requirements of the City's auditors. The contact person responsible for the corrective action is the Chief Financial Officer, Duke P. McConnell who may be reached at (504) 468-4052.

### 7. HOMESTEAD EXEMPTION

#### Observation:

In 1986, the City Council implemented a \$7,500 homestead exemption to the City's ad valorem taxes. On October 30, 2000, the City received notification from the Louisiana Legislative Auditor indicating that there appeared to be a violation of Article 7, Section 20 of the Louisiana Constitution of 1974.

#### Recommendation:

We recommend that the City consult with their attorneys to determine whether there is a violation of Article 7, Section 20 of the Louisiana Constitution of 1974.

#### Management's Corrective Action Plan:

We have contacted the City Attorneys which provided a letter, as shown at Appendix I, which states, "based upon our research, the homestead exemption provisions enacted by the Kenner City Council through Ordinance No. 5528, adopted September 19, 1985, and Ordinance No. 5598, adopted December 5, 1985, are legally sufficient". The contact person responsible for the corrective action is the Chief Financial Officer, Duke P. McConnell who may be reached at (504) 468-4052.

**Ansardi, Maxwell & Power**  
A Professional Law Corporation

**APPENDIX I**

Gleim Ansardi  
James D. Maxwell\*  
Michael J. Power  
David S. Fos  
Kurt Calderon Garcia  
Leigh H. Roussel

\*Also admitted in Mississippi & New York

Concourse Place/Suite 125  
1940 I-10 Service Road  
Kenner, LA 70065

Area Code 504  
466-1331  
FAX: 466-6677  
E-mail: lawamp@bellsouth.net

December 15, 2000

Mr. Philip Rebowe, CPA  
Rebowe & Company  
3501 N. Causeway Blvd., Suite 810  
Metairie, LA 70002

Re: Legislative Auditor's Letter of October 26, 2000

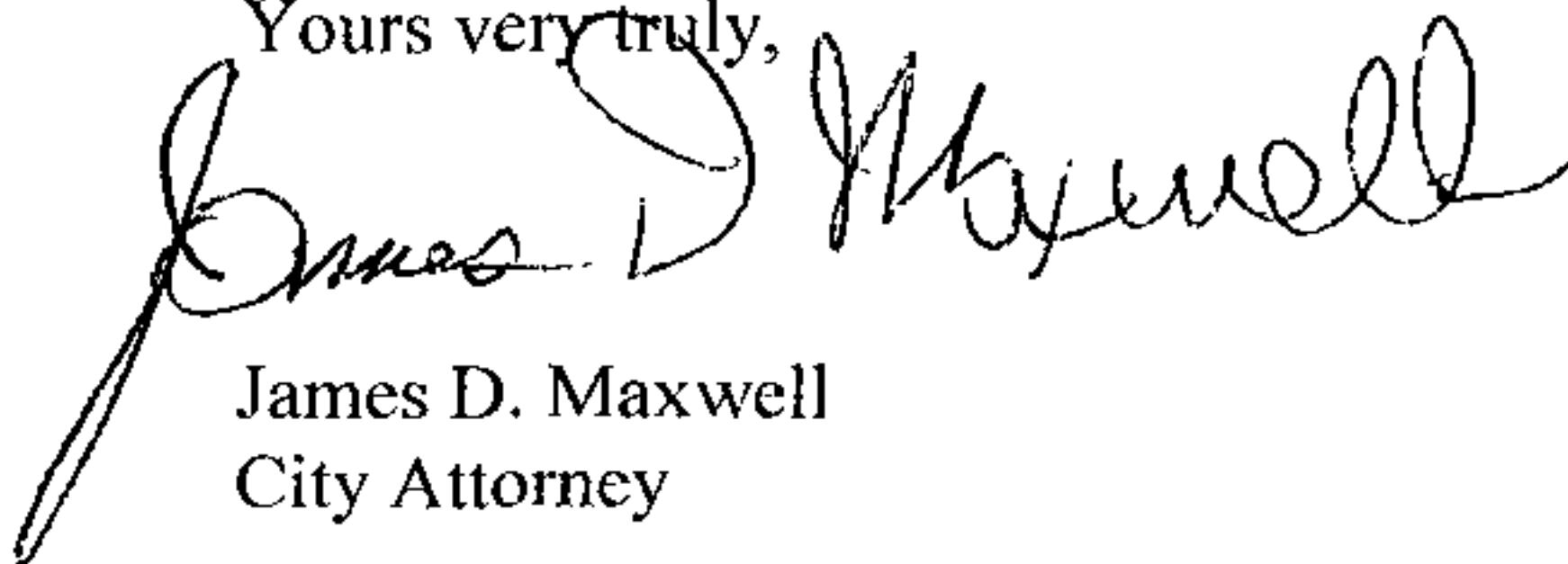
Dear Mr. Rebowe:

You have furnished to us certain correspondence authored by Grover C. Austin, CPA of the Office of the Legislative Auditor, and you have requested our response to Mr. Austin's assertion that the City of Kenner homestead exemption is constitutionally flawed.

It is our opinion as City Attorneys that, based upon our research, the homestead exemption provisions enacted by the Kenner City Council through Ordinance No. 5528, adopted September 19, 1985, and Ordinance No. 5598, adopted December 5, 1985, are legally sufficient.

Please advise if you require any further comment on this subject.

Yours very truly,



James D. Maxwell  
City Attorney